

# PORTER SPECIAL UTILITY DISTRICT

## MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

**April 25, 2022**

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 25, 2022, 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
Donald Bell	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: Jonathan Polley (Attorney) with Radcliffe, Bobbitt, Adams, and Polley, Mike Kelly (Engineer) with Bleyl Engineering, Jonathon Smith (General Manager), Chris Wright (Operations Manager), Wendy Pafford (Bookkeeper), and Amanda Phillips (Human Resources Director). Brian Trachtenberg and Anna Phillips with Greathouse, Holloway, McFadden, and Trachtenberg entered the meeting at 7:58 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 Denham.

### **d. Pledges of Allegiance**

Pledges of Allegiance led by Director Bell.

## **2. Public Comment**

No Public Comment.

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

- a. Minutes of the Regular Board Meeting on March 28, 2022.

Upon motion by Director Ruonavar, seconded by Director Barr after full discussion with all Directors present voting aye, the Minutes of the Regular Board Meeting on March 28, 2022, were approved. Motion carried unanimously.

## **4. Old Business**

- a. Review, discuss, and take any necessary action regarding New Caney ISD putting school logos on the District's elevated storage tanks

Mr. Smith stated there was no updated information on this item.

- b. Discuss and take any necessary action regarding bookkeeping services

Mr. Smith discussed the proposal received from Inframark with the Directors. Director Pillow asked if Inframark would provide the same services as the current bookkeeping firm. Mrs. Pafford responded that more services were included than currently received. Director Denham asked if staff reached out to other bookkeeping firms, Mrs. Pafford stated yes, a total of three. Ruonavar stated that she would like to discuss this later in the meeting.

- c. Discuss and take any necessary action commemorating Felipe Marentes with a plaque on Well #9 EST (elevated storage tank)

No action on this item.

## **5. New Business**

- a. Discuss and take any necessary action approving a Director Fee of Office for Director Bell for new director training with District staff and consultants that was held on April 5, 2022

Upon motion by Director Denham, seconded by Director Barr after full discussion with all Directors present voting aye, the Board approved a Director Fee of Office for Director Bell for new director training with District staff and consultants that was held on April 5, 2022. Motion carried unanimously.

- b. Review, discuss, and take any necessary action regarding the Engagement Letter with Belt Harris Pechacek for the FYE 2022 Annual Financial Audit

Mr. Smith presented the Engagement Letter from Belt Harris Pechacek from the FYE 2022 Annual Financial Audit.

Upon motion by Director Ashy, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board approved the Engagement Letter with Belt Harris Pechacek for the FYE 2022 Annual Financial Audit with the estimated fee of \$27,390.00. Motion carried unanimously.

- c. Review, discuss, and take any necessary action approving revisions to the District's Schedule of Rates, Fees, and Charges, effective April 25, 2022

Mr. Smith presented the draft revision to the District's Schedule of Rates, Fees, and Charges for Board approval. Mr. Smith stated the tap fees were increased due to the increase of cost for materials and equipment. Mr. Smith stated the meter cost from the manufacturer has increased and will likely increase again. Mr. Smith included a multi-unit connection impact fee calculation to the Rates, Fees, and Charges. Mr. Smith stated that the hydrant meter fees include an application fee, increase in the deposit for the meter, and a monthly fee. Director Ashy asked if the other rates needed to be increased; Mr. Smith stated yes that a rate study is in progress.

Upon motion by Director Bridges, seconded by Director Bell after full discussion with all Directors present voting aye, the Board approved the presented revisions to the District's Schedule of Rates, Fees, and Charges, effective April 25, 2022. Motion carried unanimously.

- d. Discuss and take any necessary action regarding Senator Brandon Creighton update and direction (Director Ruonavar)

Director Ruonavar stated that the Senator informed her that Harry Hardman was resigning from the Lonestar Groundwater Conservation District. The Senator was trying to arrange a meeting with Mr. Hardman and the District to discuss the impact the rule changes have made to the District. Director Ruonavar asked on behalf of the Senator what direction the Board would like him to go at this point.

Upon motion by Director Bridges, seconded by Director Bell after full discussion with all Directors present voting aye, the Board approved the request for Senator Brandon Creighton to continue discussions with Lonestar Groundwater Conservation District and the District. Motion carried unanimously.

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

- a. Review, discuss, and take any necessary action regarding the Financial Statements for the period ending March 31, 2022.

Director Denham asked about the increased charges from Westpark Communications, Mrs. Pafford stated it was due to the waterlines damaged by contractors on Sorters Rd. Mr. Smith stated that there were over 147 after hour calls in one evening. Mr. Smith stated that he has a list of damages on the Sorters Rd. project. Director Bell asked about the cost of chemicals for the plants, Mr. Wright responded he did shop other vendors this year and verified the District was getting the best price. Director Bell asked about the payment to Rail Pros, Mr. Smith stated it was for the bore under the tracks for the Dunn Right RV Park. Mr. Smith stated that Dunn Right RV Park has been invoiced for the fees from Rail Pro. Director Bell asked about the check issued for several invoices to Municipal Accounts, Mrs. Pafford stated that they were for additional services that were backdated due to Municipal Accounts backlog. Director Denham asked about check #6349 that was payment for the Enterprise Fleet bill, Mrs. Pafford stated that it was the monthly payment for two fleet trucks. Director Bell asked about check#6357 for Executive Automobile Services, Mrs. Pafford responded it was for diagnostics and thermostat repair for truck unit #108. Director Pillow asked about the amount being low on the GRP, Mr. Smith stated the charge is based on consumption. Director Ruonavar asked about returned checks, Mrs. Pafford stated that Independent does not charge a fee to the District for returned checks. Director Pillow asked about GL Code# 16998 for Miscellaneous Expenses, Mr. Smith stated there should be no Miscellaneous Expenses in that amount and that Staff would research it and respond to the Board. Director Ruonavar asked about the charges in GL Code #17003 for Office Equipment and GL Code #17004 for Office Furniture. Mr. Smith stated that the copiers fall under Office Equipment, and he will research the Office Furniture and respond to the Board. Mrs. Pafford explained how GL Code #17204 for Leased Vehicles was allocated by individual trucks.

Upon motion by Director Ruonavar, seconded by Director Barr after full discussion with all Directors present voting aye, the Board approved the Financial statements pending response to questions for the period ending March 31, 2022. Motion carried unanimously.

**7. Engineering Report by Ardurra Group**

- a. Surface Water Treatment Plant Pilot Study Update

No updates on the Surface Water Treatment Plant Pilot Study.

**8. Engineering Report by Bleyl Engineering**

- a. Update on Development Projects
  - i. Review, discuss, and take any necessary action regarding Porter Estates MHP, including approving the feasibility study

Mr. Kelly presented the feasibility study for 125 connections for the Porter Estates MHP to the Board.

Upon motion by Director Bell, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board approved the feasibility study for the Porter Estates MHP. Motion carried unanimously.

Mr. Kelly stated that Porter Estates MHP will be required to pay for a waterline upsizing on Ford Rd. There is currently a 2-inch line that will need to be upgrade to an 8-inch line for their needs.

- ii. Review, discuss, and take any necessary action regarding Authentix Apartments, including approving the feasibility study

Mr. Kelly presented the feasibility study for the Authentix Apartments with an estimated 292 connections. Mr. Smith stated that the Development will be responsible for paying for a line extension of approximately 942 feet.

Upon motion by Director Ashy, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board approved the feasibility study for the Authentix Apartments. Motion carried unanimously.

- iii. Review, discuss, and take any necessary action regarding Caldwell Multi-Use Site (NEC FM-1314 & US-99), including approving the feasibility study

Mr. Kelly presented the feasibility study for the Caldwell Multi-Use Site with approximately 653 connections. Mr. Kelly has recommended for the Development to construct a waterline in the Development at their cost.

Upon motion by Director Bridges, seconded by Director Bell after full discussion with all Directors present voting aye, the Board approved the feasibility study for the Caldwell Multi-Use Site (NEC FM-1314 & US-99). Motion carried unanimously.

- iv. Review, discuss, and take any necessary action regarding the 100-Acre Woods, including approving the feasibility study

Mr. Kelly presented the feasibility study for the 100-Acre Woods Development with phase no.1 having 62 cabins and an 8-inch waterline extension.

Upon motion by Director Ashy, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board approved the feasibility study for the for the 100-Acre Woods Development. Motion carried unanimously.

- v. Review, discuss, and take any necessary action regarding Kelly Estates, including approving the revised feasibility study

Mr. Kelly presented a revised feasibility study for Kelly Estates. The Developer has changed the use proposal from 116 single-family homes to 270 townhomes.

Upon motion by Director Ruonavar, seconded by Director Denham after full discussion with all Directors present voting aye, the Board approved the revised feasibility study for the for Kelly Estates. Motion carried unanimously.

- vi. Review, discuss, and take any necessary action regarding Porter Business Park (NWC FM-1314 & Fatheree Drive), including approving Bleyl Engineering to proceed with the feasibility study

Mr. Kelly presented the feasibility study for the Porter Business Park.

Upon motion by Director Ruonavar, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board approved the feasibility study for the Porter Business Park. Motion carried unanimously.

**b. Update on General Fund Projects**

- i. Review, discuss, and take any necessary action regarding Sorters Road Waterline Relocation project, including payment of Pay Application #2 in the amount of \$188,936.00

Upon motion by Director Bridges, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board approved Pay Application #2 in the amount of \$188,936.00 to SER Construction Partners. Motion carried unanimously.

- ii. Review, discuss, and take any necessary action regarding Copeland/Ferne Water System Improvements

Mr. Kelly stated the elevated storage tank design is under the preliminary stage.

Mr. Brian Trachtenberg and Ms. Anna Phillips entered the meeting at 7:58 p.m.

- iii. Review, discuss, and take any necessary action regarding Ford Road Waterline Relocation project

Mr. Kelly stated he is coordinating a meeting with the County to plan for the Ford Road Waterline Relocation project.

**c. Update on Impact Fee Capital Improvement Projects**

- i. Review, discuss, and take any necessary action regarding Valley Ranch Parkway Waterline Extension project

Mr. Kelly updated the Board that the survey has been authorized and planning coordination for the project has occurred.

**9. General Counsel's Report**

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

Mr. Polley stated this item will be discussed in executive session.

- b. Update on interlocal agreements with Porter MUD and Montgomery County MUD #110 (Maple Heights) regarding termination of water service to delinquent customers

Mr. Polley stated the agreements have been sent to the respective parties for review. Mr. Smith stated he met with Porter MUD Staff to discuss scheduling and concerns.

- d. Updated engagement letter with RBAP

Upon motion by Director Ruonavar, seconded by Director Bell after full discussion with all Directors present voting aye, the Board approved the updated engagement letter with RBAP. Motion carried unanimously.

Mr. Kelly left the meeting at 8:08 p.m.

Adjourn to Executive Session at 8:08 p.m.

Executive Session ended at 9:23 p.m. by Director Pillow.

Regular Session reconvened at 9:23 p.m. by Director Pillow.

Mr. Brian Trachtenberg and Ms. Anna Phillips left the meeting at 9:23 p.m.

- c. Resolutions declaring surplus property for

- i. Water Well No. 6 generator

- ii. Welding trailer with welder

Upon motion by Director Ashy, seconded by Director Bell after full discussion with all Directors present voting aye, the Board approved the declaration of surplus property for the Water Well No. 6 generator and the welding trailer with welder. Motion carried unanimously.

**10. General Manager's Report**

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

Director Ruonavar inquired about the pump at Well #5. Mr. Smith stated the booster pump is in the process of repair. Mr. Smith stated he requested to meet with the County regarding drainage improvements to ensure that the District could access Well #5 in a flooding event.

- b. Presentation of new District website

Mrs. Phillips presented the new District website to the Directors.

**11. Directors Comments**

**12. Next Board Meeting**

The next Regular Board Meeting is scheduled on Monday, May 23, 2022, 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 9:41 p.m.

**PASSED and APPROVED** this the 23rd day of May 2022.

  
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President, Board of Directors

  
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Secretary, Board of Directors

