

# PORTER SPECIAL UTILITY DISTRICT

## MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

May 23, 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, May 23, 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, Anna Phillips (Attorney) with Greathouse, Holloway, McFadden, and Trachtenberg, Brian Trachtenberg (Attorney) with Greathouse, Holloway, McFadden, and Trachtenberg, Mike Kelly (Engineer) with Bleyl Engineering, Blake Barringer (Engineer) with Bleyl Engineering, Jonathon Smith (General Manager), Chris Wright (Operations Manager), Wendy Pafford (Bookkeeper), and Amanda Phillips (Human Resources Director).

- b. **Director Qualifications and Disclosures**

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

- c. **Invocation**

Invocation led by Director Pillow.

- d. **Pledges of Allegiance**

Pledges of Allegiance led by Director Barr.

## **2. Public Comment**

No Public Comment.

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

- a. Minutes of the Regular Board Meeting on April 25, 2022.

Upon motion by Director Barr, seconded by Director Bridges after full discussion with all Directors present voting aye, the Minutes of the Regular Board Meeting on April 25, 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 presented the documented information and received quotes from the bookkeeping search. Director Pillow asked Mrs. Pafford if Texas Utility Booking – Crayton & Vilt, LLC quote would fulfill the District's requested scope of work, Mrs. Pafford responded yes. Director Ashy inquired how the District found the bookkeeping service companies, Mrs. Pafford responded from the AWBD listings and the Attorney's list of known companies.

Upon motion by Director Denham, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board approved Texas Utility Booking – Crayton & Vilt for bookkeeping services. Motion carried unanimously.

Adjourn to Executive Session at 7:16 p.m.

Executive Session ended at 8:10 p.m. by Director Pillow.

Regular Session reconvened at 8:10 p.m. by Director Pillow.

Upon motion by Director Ashy, seconded by Director Denham after full discussion with all Directors present voting aye, the Board approved the Board appointed Director Pillow, Director Ruonavar, and Director Bell to the Litigation Committee. Motion carried unanimously.

Mr. Brian Trachtenberg and Ms. Anna Phillips left the meeting at 8:10 p.m.

## **5. New Business**

- a. Review, discuss and take any necessary action regarding FYE 2023 Budgets for fiscal year ending May 31, 2023, including approval of budgets as presented by the Budget Review Committee**

Mr. Smith presented the FYE 2023 Budgets for fiscal year ending May 31, 2023, on behalf of the Budget Review Committee. Mr. Smith stated that there are two line-items for a truck to replace truck #103. Mr. Smith stated that there is an option to purchase a truck outright or to acquire a lease truck through Enterprise. Director Ruonavar stated she preferred the District to purchase trucks outright. Director Ruonavar asked Mrs. Pafford about garbage service, Mrs. Pafford stated she did not find a significant savings with other companies but was able to negotiate a better rate with the existing provider. Director Ruonavar asked when the enrollment period was for health insurance, Mr. Smith responded in August. Director Bell asked about increased chemical cost, Mr. Smith responded that the District has not seen a raise in fees but increased the budget in anticipation of an increase. Mrs. Pafford stated that some Vendors have implemented a fuel surcharge.

Upon motion by Director Ruonavar, seconded by Director Denham after full discussion with all Directors present voting aye, the Board approved FYE 2023 Budgets for fiscal year ending May 31, 2023, with future discussion about truck acquisition and health insurance. Motion carried unanimously.

- b. Review, discuss, and take any necessary action regarding Agreement between Porter Special Utility District and Crystal Springs Water Company for services including meter reading and disconnection/reconnection of water service of customers for nonpayment of sewer service**

Mr. Smith presented the existing contract between Porter Special Utility District and Crystal Springs Water Company for meter reading and disconnection/reconnection of water service of customers for nonpayment of sewer service.

Upon motion by Director Bell, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board approved the Attorney to update the contract between Porter Special Utility District and Crystal Springs Water Company for meter reading and disconnection/reconnection of water service of customers for nonpayment of sewer service. Motion carried unanimously.

- c. Review, discuss, and take any necessary action regarding Cost-of-Living Adjustments**

This item was requested to be placed on the agenda at the last Policy Review Committee meeting. Mr. Smith presented the CPI for the local area and the Social Security increase amounts of 5.9% This item was tabled.

- d. Review, discuss, and take any necessary action regarding uniform service with Cintas, including approving three-year service contract

Mr. Smith presented a three-year service contract from Cintas. Director Ashy asked who the District uses for uniforms. Mr. Smith responded that the District has been purchasing uniforms outright for several years. Director Ashy stated that he did not like being in a contract that you can't get out of. Item tabled.

- e. Review, discuss, and take any necessary action regarding District Personnel Policies, including approving the following revisions as recommended by the Policy Review Committee

- i. Section 1.6 Flowers Submittal Policy

Mr. Smith presented the Policy Review Committee's recommendation of increasing the amount from \$125.00 to \$200.00 and authorizing the General Manager to send an alternative gift such as a fruit arrangement, meal, or gift card in lieu of flowers.

Upon motion by Director Bell, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board approved the presented changes to Section 1.6 Flower Submittal Policy. Motion carried unanimously.

- ii. Section 4.4 Employee Incentives

Mr. Smith presented the Policy Review Committee's recommendation of increasing the hourly wage of TCEQ Licensed Individuals from \$0.50 to \$1.00 an hour for each step above the required license listed on the job description.

Upon motion by Director Ashy, seconded by Director Bridges after full discussion with Director Ruonavar, Director Bell, Director Barr, and Director Denham present voting aye, and Director Pillow opposed, the Board approved the presented changes to Section 4.4 Employee Incentives. Motion carried.

- iii. Section 4.7 Payroll Deduction Policy

Mr. Smith presented the Policy Review Committee's recommendation change of deductions will occur for fees incurred by the District for training if employee resigns or is terminated within twelve months of training, to six months of training.

Upon motion by Director Ruonavar, seconded by Director Bridges after full discussion with Director Ashy, Director Pillow, Director Barr, and Director Denham present voting aye, and Director Bell opposed, the Board approved the presented changes to Section 4.7 Employee Incentives. Motion carried.

iv. Section 6.6 District Organizational Chart

Mr. Smith presented an updated Organizational Chart for the Board.

**6. Financial Report by Municipal Accounts**

- a. Review, discuss, and take any necessary action regarding the Financial Statements for the period ending April 30, 2022.

Mrs. Pafford stated that Crystal Springs has been invoiced since the report was issued.

Upon motion by Director Denham, seconded by Director Bell after full discussion with all Directors present voting aye, the Board approved the Financial statements pending response to questions for the period ending April 30, 2022. Motion carried unanimously.

- b. Review Quarterly Investment Report for period ending February 28, 2022

Upon motion by Director Ruonavar, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board approved the Quarterly Investment Report for period ending February 28, 2022. Motion carried unanimously.

- c. Discuss and take any necessary action regarding Municipal Accounts Invoice #67210, in the amount of \$4,247.78, dated December 31, 2020.

No action.

**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 Business Park, including approving the feasibility study

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

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

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

Mr. Kelly presented the feasibility study for the Texmar Development.

Upon motion by Director Denham, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board approved the feasibility study for the Texmar Development. 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 #3 in the amount of \$436,671.02

Upon motion by Director Ruonavar, seconded by Director Bell after full discussion with all Directors present voting aye, the Board approved Pay Application #3 in the amount of \$436,671.02 to SER Construction Partners. Motion carried unanimously.

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

No further action items.

**9. General Counsel's Report**

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

No further discussion.

- b. Review, discuss, and take any necessary action regarding the interlocal agreements with Porter MUD and Montgomery County MUD #110 (Maple Heights) regarding termination of water service to delinquent customers

Mr. Polley presented the agreements for Porter MUD and Montgomery County MUD #110 (Maple Heights) for the Board to review.

Upon motion by Director Ruonavar, seconded by Director Ashy after full discussion with all Directors present voting aye, the Board approved the interlocal agreements with Porter MUD and Montgomery County MUD #110 (Maple Heights) regarding termination of water service to delinquent customers. Motion carried unanimously.

- c. Review Addendum to Service Agreement related to updated engagement with Radcliffe Bobbitt Adams Polley

Upon motion by Director Denham, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board approved the Addendum to Service Agreement related to updated engagement with Radcliffe Bobbitt Adams Polley. 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

The Board and Mr. Wright discussed chemical consumption in the water plants.

**11. Directors Comments**

No Director comments.

**12. Next Board Meeting**

The next Regular Board Meeting is scheduled on Monday, June 27, 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 Ruonavar after full discussion and all Directors present voting aye, the meeting was adjourned at 9:38 p.m.

**PASSED and APPROVED** this the 27th day of June 2022.

  
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President, Board of Directors

  
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Secretary, Board of Directors

