

PORTER SPECIAL UTILITY DISTRICT

MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

August 1, 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, August 1, 2022, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code.

1. **Call Meeting to Order** the Vice-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 except for Director Pillow who was absent, thus constituting a quorum. Also attending for the District were: Jonathan Polley (Attorney) with Radcliffe Bobbitt Adams Polley PLLC (entered meeting at 7:50 p.m.), Blake Barringer (Engineer) with Bleyl Engineering, Jonathon Smith (General Manager), Chris Wright (Operations Manager), Wendy Pafford (Bookkeeper), and Amanda Phillips (Human Resources Director). Jim Spigener with Lone Star Groundwater Conservation District attended the meeting. Samantha Reiter (entered meeting at 7:15 p.m.) with Lone Star Groundwater Conservation District attended the meeting. Tom Crayton and Dorian Pacheco with Crayton & Vilt (Bookkeeping Firm) were also in attendance.

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 Denham.

2. Public Comment

Mr. Jim Spigener introduced himself as the Board President of the Lone Star Groundwater Conservation District. Mr. Spigener stated he wanted to be active and plans to attend the Board Meetings quarterly and would be willing to set up a workshop with Directors.

3. Review and Approve Minutes

- a. Minutes of the Regular Board Meeting on June 27, 2022.

Director Ruonavar stated that page no. 3 was updated and provided to Directors.

Upon motion by Director Barr, seconded by Director Bell after full discussion with all Directors present voting aye except for Director Ashy who abstained, the Minutes of the Regular Board Meeting on June 27, 2022, were approved. Motion carried.

4. Old Business

- a. 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

No updates.

5. New Business

- a. Schedule of Rates, Fees, and Charges

Mr. Smith presented the Schedule of Rates, Fees, and Charges that included the increased price for water meters, the builder deposit rate, and the discount rate.

Upon motion by Director Bridges, seconded by Director Barr after full discussion with all Directors present voting aye, the schedule of Rates, Fees, and Charges, were approved. Motion carried.

6. Financial Report

- a. Financial Statements for the period ending May 31, 2022.

Director Ruonavar requested for the pages of the report to be numbered. Director Ruonavar asked if Porter MUD was paid for May, Mrs. Pafford stated she would look into and follow up with the Board. Director Bell asked about check 6483 for Well no. 9

and inquired what work was done by Electric Field Services, Mrs. Pafford will pull the invoice and follow up with the Board. Director Ruonavar requested an email to the Board. Director Ruonavar requested the Janitorial Company to dust the vents in the bathroom. Director Ruonavar stated that the late charges, new connections, and deposits are all zero on the report. Mrs. Pafford stated she will update those items with an email. Director Ruonavar asked about Employee Expenses, Mrs. Pafford stated that the timekeeping systems bill fell twice in one month. Director Ruonavar asked about Board training, the report only reflects one Board Member's training, Mrs. Pafford will update by email. Director Ruonavar asked if employees could utilize the most cost-effective vehicle to drive to run errands and pick up supplies. Director Ruonavar asked if GL Acct no. 16522 has been moved, she stated she would like to have it moved to Independent Bank. Mr. Bell inquired about Raftelis, Mr. Smith explained that they do the District's rate study, and the District will see initial reports after the audit. Director Ruonavar asked about GL Acct. no. 16523.5, Mrs. Pafford stated she would follow up with an email. Director Ruonavar asked if GL Acct. no. 16972 was for two months, Mrs. Pafford stated she would look into the reports and follow up.

Upon motion by Director Bell, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board approved the Financial Statements for period ending May 31, 2022, pending requested information from Staff for the questions asked. Motion carried unanimously.

b. Financial Statements for the period ending June 30, 2022

This item was tabled and will be presented at the August Regular Meeting.

Samantha Reiter entered the meeting at 7:15 p.m. Mrs. Reiter introduced herself to the Board as the General Manager of the Lone Star Groundwater Conservation District.

Mrs. Pafford introduced the new Bookkeeping Firm representatives, Tom Crayton and Dorian Pacheco to the Board of Directors. Mr. Crayton and Ms. Pacheco left the meeting at 7:43 p.m.

The Board recessed for a break at 7:43 p.m., and reconvened at 7:48 p.m.

7. Engineering Report by Ardurra Group

a. Surface Water Treatment Plant Pilot Study Update

Director Ruonavar stated that the District needs a final Purific's report from Ardurra. Mr. Smith stated that he has spoke with Mr. Peters and the District has the final report, there are just approvals. Mr. Smith stated he will make sure the Directors get a copy of the final report and include the approvals at the next Regular Meeting.

Mr. Polley entered the meeting at approximately 7:50 p.m.

8. Engineering Report by Bleyl Engineering

a. Update on Development Projects

Mr. Barringer stated that Royal Brook has made a request for an additional 221 connections. Director Ruonavar asked if the requested deposit was paid, Mr. Barringer stated, not to his knowledge. Director Ruonavar asked what the lot count was in Maple Heights Sections 1, 2, and 3, Mr. Barringer stated he did not have that information with him. Mr. Barringer stated that the process for the Peppervine Easement Acquisition has started, Director Ruonavar asked about what the lot count was. Mr. Barringer responded he did not know, Director Ruonavar asked if Mr. Kelly could have that information available at the next Regular Meeting. Director Ruonavar asked how many units were at Porter Estates. Mr. Barringer stated the count was approximately 120 mobile homes. Director Ruonavar requested that the Engineer Report have the address and number of units added in the future.

i. Best Stop #10 – waterline easement agreement

Mr. Barringer presented the waterline easement agreement for the Best Stop # 10 to the Board.

Upon motion by Director Ashy, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board approved the waterline easement agreement for Best Stop #10. Motion carried unanimously

ii. Haven at Woodridge – release and de-annexation of property

The Developer for Haven at Woodridge paid a \$15,000.00 deposit. The Preliminary Opinion of Cost for the project came in at \$1,132,000.00, the Developer would be responsible to pay in full. The Engineer recommends release of the CCN and deannexing to remove from the District boundaries. This item was tabled.

b. Update on General Fund Projects

i. Decision between Copeland Filtration Equipment (Exhibit 3a) or Ferne Well # 10 – waterline (Exhibit 3b)

Director Ruonavar asked about the life expectancy of the composite and leg tanks, Mr. Barringer stated he will research and update the Directors with that information.

Mr. Smith recommended tabling this item and plan for a Special Meeting.

c. Update on Impact Fee Capital Improvement Projects

i. Ford Road Waterline Project – Union Pacific Railroad Company pipeline crossing agreement and permit fee

Mr. Barringer stated plans for Ford Rd. should be complete in September or October. Mr. Barringer presented a pipeline crossing agreement from Union Pacific Railroad Company that requires a permit fee of \$7,390.00. The District will also be responsible for the Rail Pros inspection fees.

Upon motion by Director Denham, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board approved the Union Pacific Railroad Company pipeline crossing agreement, payment of the permit fee of \$7,390.00 and payment of the Rail Pros inspection fees. Motion carried unanimously.

Mr. Barringer stated that Mr. Kelly said that an Impact Fee Meeting will be scheduled in August.

9. General Counsel's Report

- a. Resolution Authorizing Application to TCEQ for Change in Scope and/or Use of Surplus Funds (Valley Ranch Parkway 16" Waterline Extension)**
- b. Resolution Evidencing Intent to Reimburse from Bond Proceeds (Valley Ranch Parkway 16" Waterline Extension)**

Mr. Polley presented the Resolution Authorizing Application to TCEQ for Change in Scope and/or Use of Surplus Funds (Valley Ranch Parkway 16" Waterline Extension) and the Resolution Evidencing Intent to Reimburse from Bond Proceeds (Valley Ranch Parkway 16" Waterline Extension) to the Directors.

Upon motion by Director Bell, seconded by Director Barr after full discussion with all Directors present voting aye, the Board approved the Resolution Authorizing Application to TCEQ for Change in Scope and/or Use of Surplus Funds (Valley Ranch Parkway 16" Waterline Extension) and the Resolution Evidencing Intent to Reimburse from Bond Proceeds (Valley Ranch Parkway 16" Waterline Extension). Motion carried unanimously.

- c. Resolution Evidencing Intent to Reimburse from Bond Proceeds (Exhibit 3a or Exhibit 3b)**

This item was tabled until the Special Meeting to be held this month.

10. Closed Session Pursuant to Texas Government Code Section 551.071

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

Mr. Spigener and Ms. Reiter left the meeting at 8:55 p.m.

Executive Session ended at 9:20 p.m. by Director Ruonavar.

The Board recessed for a break at 9:20 p.m., and reconvened at 9:25 p.m.

Regular Session reconvened at 9:25 p.m. by Director Ruonavar.

Upon motion by Director Ruonavar, seconded by Director Barr after full discussion with all Directors present voting aye, the Board authorized the General Manager to approve the wage for the Employee discussed in Executive Session. Motion carried unanimously.

11. General Manager's Report

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

Director Ruonavar asked about a finance charge on the Enterprise bill, Mrs. Pafford stated it was a finance charge from the initial bill for the truck that came in late. Mrs. Pafford stated that at that time the payments were scheduled for automatic draft. Director Ruonavar made the request to have the General Manager and Operations Manager to meet with field staff about the speed limit in the District. Director Ruonavar asked about the construction of slots for material storage at Well no. 5. Mr. Smith stated that manpower has been the issue with proceeding on the project. Director Ashy asked if Staff could look into contracting the work. Director Bell asked about the pipe at Well no. 5, Mr. Smith stated that the pipe will need to be evaluated and disposed of if necessary. Director Ruonavar asked about the booster pump, Mr. Smith stated he hopes to have an update in the next week. Mr. Smith discussed the increased demand for water in the system. Director Ruonavar was asking how much water the system could produce, Mr. Smith stated that he would have to follow up with an email to Directors.

12. Directors Comments

Director Denham asked for Health Insurance to be added to the next Agenda for Board discussion, Director Ruonavar verified with Mr. Smith it could be.

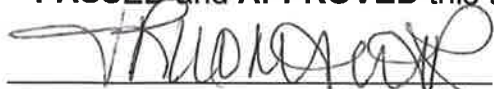
13. Next Board Meeting

The next Regular Board Meeting is scheduled on Monday, August 29, 2022, at 7:00 p.m. The Special Board Meeting was tentatively scheduled for Monday, August 8, 2022, at 7:00 p.m.

14. Adjournment

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 10:04 p.m.

PASSED and **APPROVED** this the 29th day of August 2022.



Vice President, Board of Directors



Secretary, Board of Directors

