

PORTER SPECIAL UTILITY DISTRICT
MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

August 29, 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 29, 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 Polley PLLC, Campbell Colyer (Attorney) with Radcliffe Bobbitt Adams Polley PLLC, Mike Kelly (Engineer) with Bleyl Engineering, Jonathon Smith (General Manager), Chris Wright (Operations Manager), Wendy Pafford (Bookkeeper), Amanda Phillips (Human Resources Director), Thomas Laskoskie (Distribution Apprentice), and Stephen Davila (Plant Operator). Hunter Waneck (Engineer) with WGA Consulting Engineers representing the Haven at Woodridge was 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 Mr. Smith.

d. Pledges of Allegiance

Pledges of Allegiance led by Mr. Wright.

5. New Business

a. New Employee Introduction

i. Thomas Laskoskie – Distribution Apprentice

ii. Stephen Davila – Plant Operator

Mr. Wright introduced Mr. Davila and Mr. Laskoskie to the Board of Directors. Mr. Davila and Mr. Laskoskie spoke about their past work experience and what they are now doing for the District.

Mr. Davila and Mr. Laskoskie left the meeting at 7:03 p.m.

2. Public Comment

No public comment.

3. Review and Approve Minutes

a. Minutes of the Regular Board Meeting on August 1, 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 August 1, 2022, were approved. Motion carried.

b. Minutes of the Special Board Meeting on August 11, 2022.

Mr. Polley requested changes in the Minutes due to a name misspelling and numbering error. The Directors were provided corrections before the meeting.

Upon motion by Director Ruonavar, seconded by Director Barr after full discussion with all Directors present voting aye, the Minutes of the Special Board Meeting on August 11, 2022, were approved. Motion carried.

8. Engineering Report by Bleyl Engineering

a. Update on Development Projects

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

Mr. Kelly presented an update in the Engineering Report including a cost estimate for potential options for Haven at Woodridge, and maps showing potential waterline placements with Woodridge MUD and The City of Houston. Mr. Kelly also included a map of nearby parcels. Mr. Kelly states his recommendation is the same, to de-annex the property and remove it from the CCN. Mr. Kelly introduced Mr. Waneck from WGA Consulting Engineers, who is representing Haven at Woodridge. Mr. Waneck requested de-annexation so the Developers could pursue utilities from The City of Houston. Director Pillow asked who would provide sewer to the property if Porter SUD provided the water. Mr. Smith stated that he understood that Woodridge MUD would not service sewer, and The City of Houston would not provide sewer services if they did not provide the water. Mr. Waneck stated the Developer was willing to help with the funding of the de-annexation process. Director Ruonavar asked if there was CCN beyond the property, Mr. Kelly showed the Directors the purple line on the map marking the CCN. The Directors discussed not wanting to give up the CCN, but not wanting to hinder the Developer.

Upon motion by Director Ashy, seconded by Director Bridges after full discussion with all Directors present Director Denham, Director Bell, and Director Pillow also voting aye, and Director Barr, and Director Ruonavar voting nay the Board approved the de-annexation of the Haven at Woodridge. Motion carried.

Mr. Polley requested the Board to issue a letter of no objection to be issued so the Developer can pursue The City of Houston utilities. Director Bell asked about the Developers paying all the fees for de-annexation, Mr. Polley stated that agreement fell under the Developer Application with the District.

Upon motion by Director Ashy, seconded by Director Bell after full discussion with all Directors present the Board approved the issuance of a letter of no objection for the Haven at Woodridge. Motion carried.

Mr. Waneck thanked the Board and left the meeting at 7:19 p.m.

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.

- b. Employee Insurance

Mr. Smith presented the employee insurance information. Mr. Smith stated the District pays 100% of the employee health, vision, and dental coverage; and 80% of the dependent coverage for health. The vision and dental coverage for dependents is 100% out of the employee pocket. Mr. Smith stated decreasing the dependent health

coverage to 75% reduces the District cost by \$203.97 and increases the employee cost by 25%. Director Bell asked about the insurance being in a group, Mr. Smith stated the policy is with a larger group. Director Pillow stated he did not want to take any benefit away from the employee. Director Ruonavar stated she pays for her own healthcare out of pocket. Director Ashy stated he did not want to take a benefit away from the employees that has already been budgeted for. The Directors asked the employees present if they are satisfied with the insurance, all employees said yes. Director Bell asked if it was a PPO, Mr. Smith answered yes.

No action.

5. New Business

- b. Director attendance and fee of office for Post-Issuance Tax Exempt Debt Compliance Training on September 24, 2022, at Hyatt Regency Houston Intercontinental Airport (Veranda Room)**

Upon motion by Director Pillow, seconded by Director Barr after full discussion with all Directors present voting aye, the Director attendance and fee of office for Post-Issuance Tax Exempt Debt Compliance Training on September 24, 2022, was approved. Motion carried.

- c. Update from GEMC Chamber 411 Sessions (Director Ruonavar)**

Director Ruonavar stated she attended the Greater East Montgomery County Chamber 411 Meeting on August 24, 2022, from 11:00 a.m. to 2:00 p.m. at the Randall Reed Stadium. Director Ruonavar stated that Fred Caldwell was in attendance and presented information about the Highlands Project with an estimate of 400 homes. Director Ruonavar stated Michael Johnson with Friendswood Development and Mike Miller with Signorelli also spoke about developments coming to the area. Director Ruonavar stated there was a panel discussion discussing concerns about development including infrastructure. Director Ruonavar stated that Mike Calvert with New Caney ISD said they are the 4th fastest growing District's in Texas and asked the Developers to pause so they can prepare for the growth. Director Ruonavar stated that Jeff Burke from Splendor ISD spoke and asked the Developers to pause due to the schools nearing capacity. Director Ruonavar stated the District needs another well and quickly. Director Bell asked if the District has considered getting surface water from The City of Houston. Mr. Polley stated The City of Houston does not have surface water near this area. Director Pillow thanked Director Ruonavar for her report.

6. Financial Report

- a. Financial Statements for the period ending June 30, 2022.**

Director Pillow asked if anyone had questions about the Financial Report for the period ending June 30, 2022. Director Ruonavar asked about the question she had asked

earlier regarding Enterprise, Mrs. Pafford stated she did not have the answer yet. Director Pillow asked about GL#14301 New Connections, stating it seemed low. Mr. Smith stated he will have it researched and email the findings to Directors. Director Pillow asked about the increase in chemical costs. Mr. Smith stated that there is additional pumping due to demand and the plant electricity usage is higher too. Mr. Smith stated in the month of June over 112,000,000 gallons were pumped. Director Bell asked how the Operators know the wells are cycling on and off, and not running continuously. Director Ruonavar stated that the electric fees also consist of a demand charge. Director Pillow stated that the SCADA system runs the wells in sequence. Mr. Smith stated the SCADA system operates with the demand in the system. Director Bell stated that if motors are having deficiencies that it will require more electricity. Director Ruonavar asked about GL#16161 Uniforms, Mr. Smith stated it was for new uniforms this year from Cintas and Aramark. Director Ruonavar asked if they were purchased, Mr. Smith stated yes. Director Ruonavar asked about GL#16166 PPE charges, Mrs. Pafford stated it includes Gatorade. She stated that it should be under equipment, Mr. Smith stated Safety Equipment consists of items like barricades, and traffic cones. Director Ruonavar asked if the District had quotes for bins at Well #5, Mr. Smith stated they received a quote for \$26,800.00 for 4 concrete bins. Mr. Smith stated that a quarter of the budget was spent in one month for Well #8 he had concerns with spending that much for bins at Well #5 at this time. Mr. Smith stated it would be better to look at doing the project further in the budget year if funds are available.

Upon motion by Director Ruonavar, seconded by Director Barr after full discussion with all Directors present voting aye, the Board approved the Financial Statements for period ending June 30, 2022, pending email response for questions asked. Motion carried unanimously.

7. Engineering Report by Ardurra Group

a. Surface Water Treatment Plant Pilot Study Update

Mr. Smith gave Director Bell a full copy of the Surface Water Treatment Plant Pilot Study Report. Mr. Smith discussed the findings in the reports approved by the TCEQ with the Board of Directors.

8. Engineering Report by Bleyl Engineering

a. Update on Development Projects

Mr. Kelly stated he has the estimated connections of the developments on the Engineering Report.

i. Porter Forest Logistics (Amazon), including easements

Mr. Kelly stated this was previously approved by the Board and now has all the necessary signatures. No further action necessary.

b. Update on General Fund Projects

- i. Sorters Road Waterline Relocation project, including Pay Application #5 in the amount of \$0.00, Pay Application #6 in the amount of \$0.00, and Change Order #1 for the reconfiguration of the waterline at the intersection of FM-1314 and Sorters Road**

Mr. Kelly presented Change Order#1 with the plans for the reconfiguration of the 16-inch waterline at the intersection of FM-1314 and Sorters Road. The price for the change is \$127,802.35, Mr. Kelly stated there are contingencies in the 2019 Bond to account for items like this.

Upon motion by Director Ruonavar, seconded by Director Barr after full discussion with all Directors present voting aye, the Board approved the Pay Application #5 in the amount of \$0.00, Pay Application #6 in the amount of \$0.00, and Change Order #1 in the amount of \$127,802.35 for the reconfiguration of the waterline at the intersection of FM-1314 and Sorters Road. Motion carried unanimously.

- ii. Copeland EST, including amendment for the professional services contract**

Mr. Kelly stated the Board previously approved a 1.25-million-gallon elevated storage tank at the Copeland Water Plant. The amendment presented to the Board would reduce the size to a 750,000-gallon tank. The original tank engineering fee was an estimated at \$663,000.00 and the amended price is estimated at \$539,000.00.

Upon motion by Director Ruonavar, seconded by Director Barr after full discussion with all Directors present voting aye, the Board approved the Copeland EST and amendment for the professional services contract. Motion carried unanimously.

c. Update on Impact Fee Capital Improvement Projects

- i. Valley Ranch Parkway Waterline Extension, including advertising and bidding**

Mr. Kelly stated he had plans ready to advertise and go out for bids for the Valley Ranch Parkway Waterline Extension.

Upon motion by Director Ruonavar, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board approved the advertising and bidding for the Valley Ranch Parkway Waterline Extension project. Motion carried unanimously.

Director Ruonavar asked about the fire hydrant on Valley Ranch Parkway, Mr. Smith stated it is on the list for repair.

The Board recessed for a break at 8:15 p.m., and reconvened at 8:21 p.m.

9. General Counsel's Report

a. Arbitrage Compliance Specialist documents

Mr. Polley presented the Arbitrage Compliance Specialist documents. Mr. Polley stated that Arbitrage Compliance Specialist are presenting the Post-Issuance Tax-Exempt Debt Compliance Training in September.

- i. Debt Service Fund Yield Restriction / Bond Reserve Report**
- ii. Yield Restriction Compliance Report**
- iii. Annual Post-Issuance Compliance Checklist for all outstanding bonds**
- iv. Invoice**

Mr. Smith stated the District has already paid the invoice to Arbitrage Compliance Specialist. This item was tabled until the next Regular Meeting in September.

10. Closed Session Pursuant to Texas Government Code Section 551.071

Adjourn to Executive Session at 8:36 p.m.

Mr. Kelly, Mr. Wright, Mrs. Pafford, and Mrs. Phillips left the meeting at 8:36 p.m.

Executive Session ended at 8:56 p.m. by Director Pillow.

Regular Session reconvened at 8:56 p.m. by Director Pillow

11. General Manager's Report

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

Mr. Smith provided an update on the booster pumps at Well#5. Director Bell inquired about pump rebuild due to the extended time for repair. Director Ashy asked about Pump Solutions, Mr. Smith stated he would research options for pump rebuild. The Directors discussed Well#7 booster pump #3's bearings, Mr. Smith stated that once Well #5's booster pumps are replaced booster pump #3 will be picked up. Mr. Smith stated he was waiting on the delivery update for the booster pump at Well #5, and staff is waiting for an update on the Well#5 motor rebuild. Director Ruonavar asked if the District can do line locates for Tachus, Mr. Smith stated that when the call in line locates the District does mark the lines. Mr. Smith stated that recently a line was hit that the District was not aware of the line location, and the District does not locate service lines. Mr. Smith informed the Board that truck #108 had been totaled by TML. Mr. Smith stated staff reached out to Enterprise and were notified about a 2022 Chevy Silverado 3500 cab chassis that was available for \$47,200.00 and approximately \$13,000.00 for the truck bed. Director Pillow

and Director Ruonavar requested Staff to look at cab chassis at local dealers. Director Ruonavar recommended Driveway.com as an option as well.

12. Directors Comments

Director Bell stated that Directors did not mean to come across disrespectful.

13. Next Board Meeting

The next Regular Board Meeting is scheduled on Monday, September 26, 2022, at 7:00 p.m.


14. Adjournment

There being no further business before the Board, upon motion by Director Ashy, seconded by Director Bell after full discussion and all Directors present voting aye, the meeting was adjourned at 9:15 p.m.

PASSED and APPROVED this the 26th day of September 2022.



President, Board of Directors



Secretary, Board of Directors

