

**PORTER SPECIAL UTILITY DISTRICT**  
**MINUTES OF BOARD OF DIRECTORS REGULAR MEETING**  
**July 29, 2024**

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, July 29, 2024, 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
Jason Ashy	Director
Donald Bell	Director
Charlie Lyons	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: Jon Polley (Attorney) and Gerald Ruiz, both with Polley Garza PLLC, Mike Kelly (Engineer) with Bleyl Engineering, and Chris Wright (Operations Manager).

b. **Invocation**

Invocation led by Director Denham.

**c. Pledges of Allegiance**

Pledges of Allegiance led by Mr. Wright.

**2. Public Comment**

None.

**3. Review and Approve Minutes**

- a. Minutes from the Regular Board Meeting on June 24, 2024

Upon motion by Director Bell, seconded by Director Bridges after full discussion with all Directors present voting aye, the Minutes of the Regular Board Meeting of June 24, 2024 were approved. Motion carried.

**4. Old Business**

None.

**5. New Business**

- a. Request for Temporary Construction Easement from Montgomery County Precinct 4

In our Director's Books there is a letter about drainage improvements in Golden Trails; Why do we own it? Should be no problem. There is a map attached and it is approximately three thousand square feet. It is not feasible to construct on. We can authorize and ask them if they want to buy it. It is 1/3 of an acre. There is a ditch across the property, and they need to clean it out.

Upon motion by Director Ashy, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board authorizes the use of this property and for our attorney, Mr. Polley, to reach out to them to see if they want to buy it. Motion carried.

## 6. Financial Report

- a. Financial Statements for the period ending June 30, 2024

Tabled.

## 7. Engineering Report by Bleyl Engineering

- a. Development Projects

- i. The Highlands Feasibility

It is complete and at the Developer. There is a meeting scheduled for August 20, 2024 and it is tabled until next month.

- ii. Pinedale Feasibility

Tabled until next month as it is delayed.

- b. Infrastructure Fee Projects

- i. Well #5 Rehabilitation, including approving Pay Application No. 3 from Alsay, Inc. in the amount of \$136,141.68 and approving Change Order No. 1 from Alsay, Inc. to reduce the contract by \$23,417.75

The booster pumps were mislabeled and are producing what they are supposed to. It is not a problem; the pumps were there a long time. It may change some timing. Do we have an every six-month maintenance plan on plants? No, preventative maintenance only. There are no inspections. It can be helpful, said Mr. Wright. There is one thing you can do. We used to have a book to check off. It is physically doing what it should be doing. Lots of Operators can hear if bearings are going out. You can measure sound decibels of bearings with an apparatus. They are sealed bearings. Director Bell asked if you see one of the booster pumps or well motors should be hot to touch, you can estimate there are

issues. Typically, there is a routine that Operators do per Mr. Wright. Director Ruonavar asks how do they report back? By memo pad? Anything that is an issue is called in immediately – no paper trail, but Director Ruonavar says paper trail is better. She thinks preventative maintenance should be done. Director Pillow said we cannot prevent what happened at Well # 7. Food grade oil is only helping the shaft, not the booster pumps, well motors, switch gears, etc. There is no one specific preventative maintenance program for a plant. There is not a way to PM electrical issues either. But we have EFS come out annually to check. Director Ashy said we are doing most of our procedures and he wants to know if there is more to it. In 2019 Director Ruonavar took a tour and at Well # 5 the generator started throwing parts. She wants a PM on each plant. Director Bell said you can meg a motor. We cannot do it, but you can hire it done. Of course it is another cost. No one can get into the plant without an employee with them. No combination locks any more. Keep water safe, clear, clean, and going. We have an internal check list – a write up sheet. Director Bridges wants a cost estimate to get the wells checked. Then we can decide how often we want it done. Director Bell says it will help us anticipate when motor needs replaced. Then we will not be surprised. A PM program quarterly, semi-annually, or annually. They need to be looked after. We do not need multiple wells going down at the same time. We need to be able to provide water to our customers. We need proof of a PM program. Mike says Well # 7 was 2010 or 2011. We got 11 or so years. Well # 5 was redone when Mr. Sutton was here 6 or so years ago. Just new pump equipment, not a full clean or televised. Director Pillow said we can have someone come in and give an estimate. It will not be cheap. Mr. Wright says we do once a year analysis of all switch gears, leads, lugs, and an infrared scan, on that part. On the mechanical end our Operators do what they can do – check oil, visual and audible inspections, touching, hearing, and smelling. Annually, check performance. Down in well, not. In chlorine room – puffers outside room. Director Ashy asked Mr. Kelly if there is something PM wise, we are not doing that anyone is doing better than us. We are doing as well or better than others. We could document better. As far as options above and beyond, we can look into that. Periodically do an amp draw said Director Pillow. Director Bell said it comes down to cost. We do annually said Mr. Wright. Director Bell thinks it should be done quarterly. Annually is not effective per Director Bell. Mr. Wright to pull.

Alsay is 91 days over completion @ \$200/day. Alsay is doing work at Well # 7 and Well # 10 – can do as liquidated damages next month.

Upon motion by Director Ashy, seconded by Director Bell after full discussion with all Directors present voting aye, the Pay Application No. 3 from Alsay, Inc. in the amount of \$136,141.68 and the Change Order No. 1 from Alsay, Inc. to REDUCE the contract by \$23,417.75 were approved. Motion carried.

ii. Well #7 Rehabilitation

Just a placeholder. No action required.

iii. Old Sorters Waterline Improvements

Attachment A – Old Sorters / FM 1314 / Briar Berry / Enloe – Loop with large diameter back to Well #5.

Upon motion by Director Ashy, seconded by Director Bridges after full discussion with all Directors present voting aye, the Old Sorters Waterline Improvements are approved. Motion carried.

c. Capital Bond Projects

i. Ford Road Waterline Relocation

Trying to close out the project. They have hydro-mulched and seeded. They are working on it, but it is slow due to the rain. Blazey. Hopefully, it will be completed by next month.

ii. Ferne Water Plant Improvements, including approving Pay Application # 1 from R & B Group in the amount of \$479,241.90

Includes mobilization and all 16" waterline on Ferne to FM 1314. They have done the 16", but it is not tied in and not in service yet. The percentage of waterline is 99% of what is on Ferne. They need to tie in and put in 2-1/2" gate valves and the

8" line at the end of Ferne. They have cleared the property and demolished the tanks. This contract total is \$9.1 Million (on page 10 of 11). They are limited on what can charge on mobilization of the contract.

Upon motion by Director Ruonavar, seconded by Director Bridges after full discussion with all Directors present voting aye, the Ferne Water Plant Improvements Pay Application # 1 in the amount of \$479,241.90 from R & B Group is approved. Motion carried.

d. Impact Fee Capital Improvement Projects

- i. Copeland EST, including approving Pay Application # 1 from Caldwell Tanks, Inc, in the amount of \$42,750.00

Charging for a portion of mobilization. It was approved last month and left off of the Agenda. \$5 Million contract.

Upon motion by Director Bell, seconded by Director Ashy after full discussion with all Directors present voting aye, the Pay Application # 1 from Caldwell Tanks in the amount of \$42,750.00 for the Copeland EST is approved. Motion carried.

- ii. Bobby & Deuster Lane Waterline Extensions, including approving Pay Application # 3 from Faith Utilities in the amount of \$49,579.20

The area does not drain. They did a good job slogging through.

Upon motion by Director Bridges, seconded by Director Ashy after full discussion with all Directors present voting aye, the Pay Application # 3 from Faith Utilities in the amount of \$49,579.20 is approved. Motion carried.

- iii. US-59 16" Waterline Crossing, including approving Pay Application # 3 from Bull G Construction in the amount of \$165,240.00

340 feet of casing and waterline under US-59. All is in and they are making the connection at Auburn Fields. Director Bell says that they got water out of a hydrant

and need to put a meter on it. Mr. Wright will check on it. If it is our contractor or another one. Director Pillow asks if they have a meter rented to them. Bull G has one on this side. They had a water tank there.

Upon motion by Director Ruonavar, seconded by Director Bell after full discussion with all Directors present voting aye, the Pay Application # 3 from Bull G Construction in the amount of \$165,240.00 is approved. Motion carried.

e. One-Year Warranty

Any questions? None.

8. **General Counsel's Report**

a. Grant of Electric Utility Easement to Entergy

Mr. Polley thinks we have terms. He wants to cover in closed session. Tabled.

b. New Administration Building, including approving contract documents

No contract documents tonight. They had a meeting scheduled the week of the Hurricane, now it is on Wednesday. Director Bell asks about changes to leadership and if there is going to be someone added to that Committee. Mr. Wright will now sit in on it. The Committee was not sitting in on it. The Bond is in question, and Contract documents themselves were introduced after the fact. They have had documents for six weeks. Director Bell asks how much Mr. Wright has been involved with the Building. Mr. Smith will be there. It is mainly the Architect. No Contract with the Builder yet. After the fact Contract documents were not part of the Bid Package. Hopefully, it will be done before our next meeting.

c. Waterline easements regarding Momentum Business Park

It was approved some time back. May be back next month for action. Signed and sent back and then sent red lines on the easements. Meeting with them for concerns, etc. We may have to do a correction easement, etc. Not a big deal.

## 9. General Manager's Report

- a. Update regarding wells and facilities, water production and demand, fleet vehicles and equipment, drought, and weather forecasts

Director Ruonavar asks about the Systems Total Report and wants to know where the "Total Blank for \$435.00" is coming from. Mr. Wright will report back. She also sees another truck that has picked up mileage. It is the Meter Tech's truck. There have been a lot of meter sets in Maple Heights by multiple employees. It comes in spurts. The Distribution Truck was up there too. She likes the fact that Unit 104 has a brand-new underneath. She says it is not going anywhere now. Also, when will the two new trucks be here? Mr. Wright indicated that it would be a couple of months due to availability.

- b. Update regarding Hurricane Beryl

Nothing new at this time.

## 10. Executive Session

We went into Executive Session at 7:55 pm

We came out of Executive Session at 8:00 pm

Upon motion by Director Ruonavar, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board of Directors authorizes the execution of Entergy's Easement and accept Entergy's offer of payment. Motion carried.

Mr. Polley said that in or out of Executive Session, if a topic is not on the Agenda we cannot talk about it. Yes, we need a Special Meeting. It was decided to hold the Special Meeting on Monday, August 5, 2024 at 6:00 pm. Mr. Polley will need to attend.



11. **Director Comments**

Director Bell states that it goes without saying that all personnel discussions would be had in Executive Session.


12. **Next Regular Board Meeting – Monday, August 26, 2024 at 7:00 p.m.**

13. **Adjournment**

There being no further business to come 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 8:06 p.m.

**PASSED and APPROVED** this the 26th day of August, 2024.

  
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President, Board of Directors

  
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Secretary, Board of Directors

