

RAYFORD ROAD MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors November 10, 2008

The Board of Directors ("Board") of Rayford Road Municipal Utility District ("District") met on November 10, 2008, at 312 Spring Hill Drive, Suite 100, West Entrance, Spring, Texas 77386, in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Jon Vallery, President
Frank Moore, Vice President
Charles Saxe, Secretary
Michael Smith, Assistant Secretary
Danny E. Agans, Director

and the following absent:

None

Also present were Constable Tim Holifield, Mike Williams, Jason Hajduk, John Montgomery, Bill Russell, Herman I. Little, Jr. and persons on the attached list.

The President called the meeting to order and declared it open for such business as might regularly come before it.

1. Minutes of the meeting October 13, 2008 were presented and reviewed. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. Herman Little presented correspondence received from tax assessor/collector J.R. Moore dated October 15, 2008 regarding the transition in tax assessor/collectors. Mr. Moore reported on problems with information received or not received from Equi-Tax, but the tax assessor/collector has all information in hand for the 2008 tax year.

3. Constable Tim Holifield presented a law enforcement report. The County will be billing FEMA for more than 40 overtime hours expended by officers serving in the District during and after the hurricane. A new radio system is being prepared for the County, but it will not be active until January. The new system will allow for more effective communications across county lines. The constables are still working on the Wood Forest bank robbery case. An arrest was made, but there has been some confusion because a second person has been identified who looks almost identical to the first person. The officers investigated 6 accidents, 17 disturbances, 7 criminal mischief cases, 2 misdemeanor assaults and 3 cases involving firearms during the month. 105 traffic enforcement actions were taken. Arrests were made of two intoxicated persons, and two arrests were made for outstanding warrants. Constable Holifield reported that efforts are being made to locate a new deputy who will work in Imperial Oaks. The constable requested that a District director serve as a liaison to sit-in on interviews.

Director Moore reported that there has been a lot of traffic on North Head on the pipeline easement very near houses, and it is a problem. It was mentioned that the Drainage District 6 environmental law enforcement officer patrols on the drainage ditches. It was mentioned that more signs may be needed for education of the community. Director Moore stated that the problem is not on a drainage ditch, but it is close to the ditch on the pipeline right-of-way.

4. Mike Williams presented an operator's report. The District had total revenues of \$244,697.61 during the month. There are 3,746 connections. There are 42 vacant residences. Ten bacteriological samples were taken, and all were satisfactory. One water leak was repaired. The wastewater treatment plant operated properly at 71% of permitted flow. Three taps were made during the month, bringing the total to 19 for the year-to-date. Mr. Williams presented a list of delinquent accounts that are uncollectible, as the customers have moved away from the District. The accounts total \$558.68.

The operator obtained a bid from Source Point concerning cleaning of 1,825 feet of storm sewer lines. The contractor will need a location at which to place materials removed from the storm sewer, and the cost would be \$10,000. If the contractor hauls the material away, the cost would be \$13,302. Mike Williams reported that all fences have been restored, and all bids have been sent to the insurance adjuster for review. Mike Williams attended a meeting with FEMA representatives, and forms have been sent to the operator by the attorney's office. FEMA representatives will be meeting at the operator's office. FEMA will be paying for diesel fuel and for overtime charges of personnel related to the storm. FEMA will pay for debris removal from the District facilities.

Director Saxe inquired as to whether the silt removal project will result in silt coming back in within the next two years. It was mentioned that there are few vacant lots in the District now, and the sources of silt inflow are being reduced as more homes are built. In response to a question it was mentioned that there are 118 lots remaining un-built in the District. After discussion, upon motion by Director Moore, seconded by Director Smith, the Board voted unanimously to authorize the cleaning of the storm sewer and removal of silt from the area according to the Source Point proposal. Upon motion by Director Smith, seconded by Director Moore, the Board voted unanimously to approve the write-off list as presented.

5. Mike Williams presented a report on Imperial Oaks Park and grounds maintenance. Regular mowing was performed. Several trees are down in the wetlands areas. 14 requests were made for the pavilion and 17 for the ball fields. There were 7 parties during the month. Two customers requested that their money be refunded from the deposits because other persons were using the facilities, and they refused to leave when the reservation time arrived. Regular maintenance was performed in the parks. The dead tree was removed as had been directed by the Board. In response to a question by Mr. Williams, the Board requested that repairs be made to the walking facilities. The operator is still waiting to perform repairs of light fixtures. The cost will be less than \$1,000. The operator will be planting annuals in the flower beds in the parks. Director Vallery reported that a tree is being eaten by termites adjacent to the pavilion. There was discussion, and the Board voted unanimously to authorize removal of the infested tree as soon as possible.

Director Smith inquired as to how long in advance people book use of the ball fields. Mike Williams reported that people book the ball fields for the full season. All facilities are heavily scheduled. It was mentioned that this had not been a problem before there were problems at the ORWL facilities. There was discussion of the problem with people refusing to leave when other people have reservations. The Board inquired as to consequences of such actions, and Herman Little agreed to look into possible criminal mischief or trespassing charges in those situations. There was discussion, and upon motion by Director Moore, seconded by Director Smith, the Board voted unanimously to authorize the operator to refund deposits to two customers who had requested refunds. Director Saxe reported that some lights in the District's facilities were out on election day. It was suggested that the District coordinate with the property owners association on such special occasions.

6. Bill Russell presented a bookkeeper's report, a copy of which is attached to the minutes. After payment of bills at this meeting, the debt service fund balance stands at \$1,550,343. The capital projects fund balance is \$1,143,249.45. The general fund balance is \$777,772.38 following deposit of a transfer check of \$243,072.15. The tax account balance is \$1,430.50. The Board reviewed a budget comparison report and noted that the District has expenses greater than revenues of \$309,433.07 for five months of the fiscal year-to-date. Mr. Russell noted that billing for POA street lights is one month behind. After discussion, upon motion by Director Agans, seconded by Director Smith, the Board voted unanimously to approve the bookkeeper's report and authorized payment of bills listed thereon. After discussion, upon motion by Director Moore, seconded by Director Saxe, the Board voted unanimously to approve payment of director fees and expenses as listed on the report.

7. Jason Hajduk presented an engineer's report. Plans are being prepared for the second clarifier at the wastewater treatment plant. As soon as plans have been completed and approved, the District will make an application for release of funds from escrow for construction of the facilities.

8. The Board reviewed an Emergency Water Supply Contract with Montgomery County Municipal Utility District No. 115. Herman Little advised the Board that he represents MUD 115 and that the proposed interconnect will provide another source of water to both districts in the event of an emergency in either District's water supply system. The interconnection point will have a single valve which will be closed. No meter will be installed at the interconnect. There was discussion, and Mike Williams confirmed that operation of the interconnect facilities can be easily accomplished, and the operator can make records of amounts of water that are used when the interconnect is open. After discussion, upon motion by Director Smith, seconded by Director Agans, the Board voted unanimously to approve and authorize signing the Emergency Water Supply Contract with Montgomery County MUD No. 115 as presented.


9. It was mentioned that the District is a member of the South Montgomery County Storm Water Coalition, and the Year One report under the MS4 Permit is due. There was discussion of activities by the Coalition and actions that have been taken to prepare the report. Upon motion by Director Moore, seconded by Director Saxe, the Board voted unanimously to approve the Year One annual report and to authorize filing appropriate documents with the TCEQ as required by the permit.

10. It was mentioned that the Board will be considering proposals for services of a webmaster with regard to the District's web site. A proposal was received from MIS Pros to provide services for \$100 per month. Four hours of training would be required at \$125 an hour plus \$125 per hour thereafter. Shawn Bashaw would provide services for \$600 to update the web site or a charge of \$400 with a 6-month contract to post items on the web site and \$100 per month maintenance. The price does not include any other services for background work on the web site. A proposal from Charlie Venema would involve services at a cost of \$150 per month with an initial charge of \$50 to update the web site. There was a discussion of the proposals, and it was suggested that the Board defer action until additional information could be obtained from Shawn Bashaw concerning his proposal. Upon motion duly made, seconded and unanimously carried, the Board tabled further consideration of the matter until the next meeting.

11. It was mentioned that the Board will consider renewal of the District's insurance coverage. Herman Little advised the Board that one proposal has been presented, but there are two other agencies that may be available to submit proposals, and the attorney recommended that the Board consider several proposals before making a decision. Upon motion by Director Moore, seconded by Director Saxe, the Board voted unanimously to authorize the attorney to obtain additional proposals for insurance coverage for consideration at the Board's next meeting.

12. In response to a question by the Board, Herman Little reported that he had met with Scott Escher and Shirley Bilskey concerning the storm sewer easement for the Sections One and Two drainage project. The attorney will follow up with Mr. Escher to secure the easement and communicate with the adjoining property owners.

There being no further business to come before the Board, the meeting was adjourned.



Secretary