

## RAYFORD ROAD MUNICIPAL UTILITY DISTRICT

### Minutes of Meeting of Board of Directors July 13, 2009

The Board of Directors ("Board") of Rayford Road Municipal Utility District ("District") met on July 13, 2009, 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 Bill Russell, Lonnie Wright, Mike Williams, Deputy James Corn, Jason Hajduk, 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 of June 8, 2009 were presented and reviewed. Upon motion by Director Agans, seconded by Director Smith, the Board voted unanimously to approve the minutes as presented.

2. Deputy James Corn presented a law enforcement report. There were 7 burglaries, 7 thefts, 8 accidents, 12 disturbances, 11 criminal mischief incidents, one misdemeanor assault, 60 traffic enforcements, one drug matter, 3 firearm matters and one intoxicated person during the month. Three warrant arrests were made. In response to a question by the Board, Deputy Corn reported that the constable staff is still three officers short. One position will be filled right away, and two will be filled in the near future. After discussion, upon motion duly made, seconded and unanimously carried, the Board approved the law enforcement report as presented.

3. Mike Williams presented an operator's report. The District collected revenues of \$203,525.14 for service provided during the month. There are 3,748 connections. There are 48 vacant residences. The District accounted for 95% of water produced. 23 leaks were repaired during the month. Ten bacteriological samples were taken, and all were satisfactory. The wastewater treatment plant operated properly at 66% of permitted flow. Mike Williams presented a list of six delinquent accounts with \$520.08 due. The accounts have been

closed and are uncollectible, and Mr. Williams recommended that the Board write-off the accounts as uncollectible. Upon motion by Director Smith, seconded by Director Saxe, the Board voted unanimously to approve the request to write-off six uncollectible accounts as recommended by the operator.

Mike Williams reported that the District performed a water line repair at 2014 Invermere on the previous weekend. A resident reported that the residents felt the jackhammer vibration in the house. The resident noted that there are cracks in the driveway. Mike Williams then presented photographs of the driveway taken after the District repairs had been made. Mike visited with the resident and volunteered to saw-cut the damaged part of the driveway to repair two sections closest to the street. The operator also offered the resident to replace the entire driveway with the District prorating the cost with the owner. The resident refused, saying that the District should replace the entire driveway. There was discussion, and the Board reviewed photographs of the driveway. It was mentioned that the cracks appear to be old, and Mike Williams advised the Board of his opinion that none of the cracks on the driveway were caused by the water line repair. The operator placed metal plates over the excavated portion of the driveway, so the residents could have access to the home and garage. There was discussion, and upon motion by Director Smith, seconded by Director Agans, the Board voted unanimously to authorize the District's operator to replace two sections of the driveway as recommended and offered to the resident, and the Board confirmed the offer made by the operator that the District would prorate the costs of a complete driveway repair. There was further discussion, and the Board directed that the District's attorney write a letter to the resident indicating the need for prompt completion of the work, so the metal plates can be removed to another work location. If the resident does not approve the District's proposals, then the operator will make the normal repairs.

Mike Williams reported that a 10-inch sanitary sewer force main adjacent to the soccer field had been hit by a contractor several years ago. It appears that a long section of the force main had been damaged, but the line only broke in one location. Repairs were made at that time, but another section had to be repaired last year. Another location has now appeared that necessitates repairs, and Mike Williams recommended that the Board authorize replacement of 150 feet of the 10-inch force main to avoid further costs of repairs. The costs of the work would be between \$7,500 and \$8,500. After discussion, upon motion by Director Agans, seconded by Director Smith, the Board voted unanimously to authorize the operator to replace 150 feet of the 10-inch force main as recommended, and the Board directed the District's attorney to write a demand letter to the contractor responsible for the damage.

Mike Williams reported that at Water Plant No. 2 there is a problem with the electrical control panel. The starters and main breakers are located on the panel, and the panel is in the direct sun and becomes very hot during operation of the well, and the breakers keep shutting down the power. The well has been operating 18 to 20 hours per day, and damage could be experienced if the heat cannot be controlled. Mr. Williams recommended that the Board authorize installation of an awning 10 feet by 20 feet, and 11 feet high over the electrical control panel. The cost would be \$6,940. There was discussion, and Jason Hajduk suggested that the situation be examined by an electrical engineer. Mr. Williams stated that an electrical engineer has already looked at the facility. There was discussion, and the Board suggested that a small air

conditioner could be installed on the panel to provide additional cooling. The Board requested that the operator examine the air conditioner alternative if space on the panel will allow installation.

4. Lonnie Wright addressed the Board with regard to the Drought Contingency Plan. Water conservation measures were implemented because of the heavy demand on the water supply system, and the measures were successful to reduce water consumption to allow a return to Stage 1 conditions. Lonnie Wright expressed concern that the continuing hot, dry weather could require going back to a higher stage. There was discussion of measures taken by consumers to reduce water usage. Lonnie Wright advised the Board that there are 93 irrigation meters in the District that used a total of 3.9 million gallons of water during last month. Many customers have been calling the operator about the water conservation measures, and there have been many reports of residents who have been violating the odd/even water restrictions. There was discussion, and it was suggested that the Board review the Drought Contingency Plan and consider additional water conservation measures that would be mandatory and that would carry penalties for violations. It was decided that the Board will hold a special meeting on Tuesday, July 21, 2009 at 6:00 p.m. to consider a proposal for amendment of the Drought Contingency Plan. The Board will also consider a proposal for modifications of the electrical panel at Well No. 2.

In response to a question by the Board, Mike Williams reported that an emergency generator has been purchased for the District's use.

5. Mike Williams presented a report on Imperial Oaks parks and maintenance. The operator did regular mowing and cleaning during the month. Five dead trees were removed. One tree was trimmed. There were 28 calls for the pavilion, 5 for the ball fields, and there were 3 parties during the month. The operator placed ant bait. There was discussion, and it was mentioned that there were no violations of District rules that warrant action by the Board at this time.

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 will stand at \$2,426,657.54. The capital projects fund balance is \$1,143,994.91. The general fund balance will be \$968,958.99 after deposit of a transfer check to be approved at this meeting. The tax account balance is \$15,550. Mr. Russell reported that the bookkeeper will be sending unclaimed security deposit funds to the State of Texas as required by the escheat laws.

Bill Russell reported that District taxes for 2008 are 98.44% collected. After discussion, upon motion by Director Moore, seconded by Director Saxe, the Board voted unanimously to approve the bookkeeper's report and authorized payment of bills listed thereon. Upon motion by Director Moore, seconded by Director Saxe, the Board voted unanimously to approve payment of director fees and expenses.

7. Jason Hajduk presented an engineer's report. On June 19, 2009 the engineer met with the contractor and consultants with regard to the storm sewer project in Sections One and Two. Changes were suggested in the plans, and the plans have been

resubmitted to Montgomery County and approved. Bidding for the project will start in the very near future.

Jason Hajduk reported that for the Water Plant No. 1 rehabilitation a preliminary engineering report would be needed from an electrical engineer. The estimated cost is \$3,000.

The San Jacinto River Authority has issued an update on water reduction plans in connection with the Lone Star Groundwater Conservation District. Contracts are being prepared for each district and large water users in the county. A pumpage fee is expected to be \$0.25 to \$0.75 per 1,000 gallons of water pumpage by January, 2010. There will be additional meetings to discuss the proposed groundwater reduction plan.

Jason Hajduk reported that Faith United Methodist Church is planning an expansion of their facilities to add a school with up to 80 students. The school will use more water than had been anticipated and will require additional sewer capacity. Using City of Houston planning criteria, the school will require three more equivalent single-family connections of sewer capacity. Mr. Hajduk reported that the District engineers do not have any objections to the request. After approval of the request, the District will have approximately 26 equivalent single-family connections of sewer capacity left after full build-out in the District.

Tom Lancaster addressed the Board and stated that he is the architect for Faith United Methodist Church. Mr. Lancaster described the project and stated that a future expansion will include a sanctuary. Mr. Lancaster requested that the Board approve the additional capacity needed for the school. Upon motion by Director Moore, seconded by Director Agans, the Board voted unanimously to approve the additional wastewater treatment capacity for the school at Faith United Methodist Church. Upon motion by Director Smith, seconded by Director Moore, the Board voted unanimously to authorize an electrical engineer to review plans for Water Plant No. 1 at a cost of \$3,000 as recommended by the District engineer.

Jason Hajduk presented a proposal from Stiver Engineers with regard to geotechnical services needed for the storm sewer project in Sections One and Two. After discussion, upon motion by Director Saxe, seconded by Director Moore, the Board voted unanimously to approve and authorize signing an agreement for engineering services with Stiver Engineers as presented.

8. Herman Little presented a proposed Order Adopting Rules and Regulations for Storm Water Protection and Establishing Penalties for Violations. Since the Board has not had an opportunity to review the Order, the Board deferred action until the next meeting.

9. The Board reviewed correspondence from the TCEQ regarding a Homeland Security hotline that has been established with regard to incidents at wastewater treatment facilities. The TCEQ has requested that the District complete a questionnaire describing the District's wastewater treatment facilities and designating a primary and secondary contact for Homeland Security matters. After discussion, upon motion duly made, seconded and unanimously carried, the Board authorized the District's operator and engineer to prepare and

submit a response to the questionnaire, and the Board designated the District's operator as the primary contact person and the District's engineer as the secondary contact person.

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

  
\_\_\_\_\_  
Secretary