

RAYFORD ROAD MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors December 14, 2009

The Board of Directors ("Board") of Rayford Road Municipal Utility District ("District") met on December 14, 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
Michael Smith, Assistant Secretary

and the following absent:

Charles Saxe, Secretary
Danny E. Agans, Director

Also present were Bill Russell, Jason Hajduk, Lonnie Wright, Sergeant James Corn, 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 November 9, 2009 were presented and reviewed. Upon motion by Director Smith, seconded by Director Moore, the Board voted unanimously to approve the minutes as presented.

2. Sergeant James Corn presented a law enforcement report. There was one burglary, six thefts, two misdemeanor assaults, four accidents, twenty disturbances, seven criminal mischief incidents, two drug related incidents, six firearms incidents and one warrant arrest. A total of eight arrests were made in the District during the month. Sergeant Corn advised the Board that the law enforcement community is investigating a report of a person who had approached a school-aged child.

Director Moore inquired concerning the requirements for dogs to be on leashes. Sergeant Corn advised the Board that Montgomery County requires that animals be on a leash when they are outside. When dogs are running loose in the community, reports can be made to the officer, and if a complaint is made, the officer can respond. Lillian Smothers addressed the Board and reported that there had been an incident last Sunday at which several dogs were not on leashes in the neighborhood. Sergeant Corn reported that when calls are received by the dispatcher concerning dogs not on leash, the calls are routed to Montgomery County Animal Control. In response to a question by Director Smith, Herman Little advised the Board that the Montgomery County Drainage District No. 6 officer enforces laws of the State of Texas with an emphasis on environmental laws, but enforcement of the county animal control ordinance would not be among the officer's primary responsibilities. The matter will be mentioned to the officer

at the next DD6 meeting, however. After discussion, upon motion duly made, seconded and unanimously carried, the Board approved the law enforcement report as presented.

3. Lonnie Wright presented an operator's report. The District had total revenues of \$158,678.42 for service provided during the month. There are 3,754 connections in the District, of which 3,530 are residences receiving garbage service. There are 59 vacant residences. The District accounted for 95% of the water produced. Ten bacteriological samples were taken, and all were satisfactory. 19 leaks were repaired in the water system.

Lonnie Wright presented a list of delinquent accounts that are uncollectible totaling \$534.14 and recommended that the accounts be written off. Board approval to write-off the accounts results in the accounts being turned over to a collection firm. The accounts are written off when they have been delinquent for 90 days, and the customers have departed from the area. Upon motion by Director Smith, seconded by Director Moore, the Board voted unanimously to approve the write-off list as presented.

Lonnie Wright reported that the wastewater treatment plant operated properly without permit violations. The treatment plant operated at 70% of permitted flow. 220 door tags were hung for delinquent accounts. Typically, the water terminations will follow 24 hours after door tags. In response to a question by the operator, the Board directed that water terminations be deferred until the week after Christmas. Upon motion duly made, seconded and unanimously carried, the Board approved the operator's report as presented.

4. Lonnie Wright presented a report on the Imperial Oaks Park and recreational facilities. There were eight requests for use of ballfields and ten requests for use of the pavilion. The operator has investigated the cost of new cable at the ball fields and found that a 3/8"-inch cable with yellow sheathing would cost approximately \$1.10 per foot for the materials. Approximately 1,600 feet of cable is required. After discussion, upon motion by Director Moore, seconded by Director Smith, the Board voted unanimously to approve purchase and installation of new yellow sheathed cable at the ballfields as recommended by the operator.

5. 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 \$1,709,348.88. The capital projects fund balance is \$1,147,008.26. The general fund balance will be \$747,935.83 upon deposit of a transfer check approved at this meeting. The tax account balance is \$17,488. Mr. Russell reported that 12% of the 2009 taxes have been collected, to date. After discussion, upon motion by Director Smith, seconded by Director Moore, 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 Smith, the Board voted unanimously to approve payment of director fees and expenses listed on the report.

6. Jason Hajduk presented an engineer's report. Mr. Hajduk presented to each director an aerial photograph and map of the District that indicates streets and all features within the community. The Phase II storm sewer project is underway, and the tunneling between the homes has been completed. It is hoped that the remaining excavation can be completed within the next thirty days. One property owner requested installation of a new drainage inlet

adjacent to the property. Mr. Hajduk advised the Board that a new E inlet would cost approximately \$1,500. The inlet would not increase the amount of water flowing into the storm sewer, but it would simply intercept part of the water at a different location. Upon motion by Director Smith, seconded by Director Moore, the Board voted unanimously to approve installation of an additional E inlet as recommended by the engineer.

Jason Hajduk reported that the contractor for the clarifier project has moved a storm sewer inlet that interfered with the project. The driveway layout was identified, but Mike Williams requested for additional paving to increase the turning radius for large trucks that enter the site. Additional paving would be 20 to 25 yards at \$700 to \$2,000 additional cost. After discussion, upon motion by Director Moore, seconded by Director Smith, the Board voted unanimously to approve addition of paving as requested by the operator and engineer.

Jason Hajduk reported that on the water plant rehabilitation, the proposed work would require re-coating of the interior of the ground storage tank, and that work should be postponed until the interior needs re-coating. The scope of the work has been reduced, accordingly, for replacement of the interior ladder and a new hand rail. All electrical work and re-coating of the hydropneumatic tank will be included in the job, and it will be out for bids in January, 2010. The engineer is still obtaining information with regard to a proposal for preparation of a long term management plan. After discussion, upon motion by Director Smith, seconded by Director Moore, the Board voted unanimously to authorize revisions of the water plant work and to authorize advertisement for bids as recommended by the engineer.

7. It was mentioned that the operator had requested authorization to discontinue water conservation measures that were implemented last summer. Upon motion by Director Moore, seconded by Director Smith, the Board voted unanimously to authorize the operator to discontinue all water conservation measures until further notice.

8. It was mentioned that the South Montgomery County Storm Water Coalition had approved a proposal to provide educational materials to Conroe I.S.D. schools, and the Coalition requested approval by all members for funding of approximately \$1,500 per participant when the materials are purchased. After discussion, upon motion by Director Moore, seconded by Director Smith, the Board voted unanimously to approve the proposal for educational materials and funding as requested.

9. Mike Dillon addressed the Board and requested that the District consider changing the return envelopes that are provided to customers for making monthly utility payments. The envelopes are so thin that information on the enclosed checks can be observed. There was discussion, and Lonnie Wright agreed to talk with the supplier of the envelopes.

10. Herman Little advised the Board that Director Agans had submitted his resignation because he is no longer a resident of the District. Herman Little advised the Board that it is important to have all five director positions filled in order to avoid inconvenience to the District when directors are absent. Herman Little suggested that the Board have a special meeting prior to the next regular monthly meeting to consider a qualified person for appointment to the Board to fill the position held by Director Agans. It was mentioned that the Directors may

contact persons known to them for consideration for appointment by the Board. The only discussion of the matter among directors should occur at the Board meeting with a proper notice posted. There was discussion, and the Board agreed that a special meeting will be held on Thursday, January 7, 2010 to consider Director Agans' resignation and appointment of a person to fill the vacant position.

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



Secretary