

RAYFORD ROAD MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors

August 11, 2014

The Board of Directors ("Board") of Rayford Road Municipal Utility District ("District") met at 312 Spring Hill Drive, Suite 100, West Entrance, Spring, Texas, on Monday, August 11, 2014, 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
Brendon Keith, Secretary
Michael Smith, Assistant Secretary
Paul Alli, Director

and the following absent:

None.

Also present were Bill Russell, Mike Williams, Jason Hajduk, Anthea Moran, Aimee Ordeneaux Raley, Paul Green, Corporal Dreyer, Bessie McGuire, Lawrence McGuire, Clayton Harry, and Lori G. Aylett.

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 July 14, 2014 were presented for the Board's review and approval. Upon unanimous vote, the minutes were approved as presented.

2. Corporal Dreyer presented a law enforcement report and reported the following statistics: there were 813 contract calls; six District calls; 56 reports taken; two felony arrests; 11 misdemeanor arrests; 350 citations and tickets; and 17 charges filed. The constables drove a total of 8,479 miles in the District during the month. The constables have worked 134 days during the year. Corporal Dreyer reported on an incident which occurred on August 1, 2014, where several cars had their wheels stolen. The constables are investigating. After discussion, upon unanimous vote, the Board approved the law enforcement report as presented.

3. Anthea Moran presented a financial advisor's report and 2014 tax rate analysis. She first reported that the District's 2014 certified value was up \$40 million from last year. The financial advisor recommended that the District drop its debt service rate from \$0.49 to \$0.45, a reduction of \$0.04. The Board reviewed the District's general fund budgetary needs with the bookkeeper who recommended a \$0.13 maintenance and operations tax be levied, for a total tax rate of \$0.58. The Board agreed that it would be appropriate to conduct a public hearing on the proposed tax rate on Monday, August 25, 2014 at 6:30 p.m. Upon unanimous vote, the Board authorized publication of the tax rate calculations with a proposed debt service rate of \$0.45 per \$100 assessed valuation and a maintenance tax of \$0.13 per \$100 assessed valuation.

4. Aimee Ordeneaux Raley presented the Best Trash quarterly report. She

asked if the Board or residents had any complaints or concerns about the garbage collection services, and no such concerns were noted.

5. Bill Russell presented a bookkeeper's report, a copy of which is attached. After this meeting, the debt service fund balance will stand at \$2,110,115.28. The capital projects fund will stand at \$729,841.99. The operating fund will stand at \$2,633,509.20. Expenditures exceeded revenues for two months of the fiscal year by \$615,477.36. Upon unanimous vote, the Board approved payment of director fees and expenses. Upon unanimous vote by separate motion, the Board approved the bookkeeper's report as presented and authorized payment of the remainder of the District's bills.

6. Mike Williams presented an operator's report. The District billed \$287,268.91. The operator took 10 bacteriological samples, all of which were acceptable. The District accounted for 93% of the water produced. The District served 3,815 customers, and 3,587 customers received all services including garbage. The sewage treatment plant operated at 77% of capacity with no permit violations. The operator requested write-off of 16 accounts in the total amount of \$1,329.52, and the Board approved the request.

The operator reported that the water plants have been down from time to time to make connections to SJRA receiving facilities. Water use has been down due to rain and cooler weather.

After discussion, upon unanimous vote, the Board approved the operator's report as presented.

7. Mike Williams presented a parks and recreational facilities report. There were 17 calls regarding issues in the parks. 12 calls were for the pavilion, four calls were for the ball fields and one call was for information. Regular mowing and clean up was performed during the month, and the operator installed park rules signs and sprayed backstops with weed killer. The operator is still working on obtaining quotes for replacing soccer goals. Director Alli will help the operator follow up on the quotes.

Bessie McGuire addressed the Board of Directors and reported that the neighbors behind her had called the District operator's office in February and asked for a dead tree on District property in the wetlands to be cut. That tree was not cut down and subsequently fell on their yard and damaged a fence and playground equipment. Mike Williams confirmed that his office did receive a call back in February, and the tree contractor was dispatched to the site and removed a different dead tree. The operator also confirmed that the tree that fell on Ms. McGuire's property was also dead. The Board asked the resident if she had any cost estimates for repairs or replacement of the playground equipment. The resident noted that she did not have a cost estimate but could obtain one. The Board members reviewed the photographs of the damaged playground equipment and made an offer to the resident to pay \$550 to reimburse her for the damaged equipment. The resident accepted the offer. Upon unanimous vote, the Board authorized the issuance of a check in the amount of \$550 as payment in full for the damaged playground equipment.

8. Jason Hajduk presented an engineer's report. The SJRA surface water receiving facilities construction contract is underway. The contractor has installed storm sewer

catch basins, flow meters and vaults, gas line and meters, driveway, gate, conduit and duct bank, and concrete slabs.

The engineer reported that Pay Application No. 4 to C.F. McDonald Electric, Inc. in the amount of \$298,917.90 is currently under review by the San Jacinto River Authority. Pursuant to the District's supplemental agreement with the SJRA, the District must receive SJRA's written approval before disbursing payment to the contractor. The engineer reviewed the quantities requested by the contractor and recommended payment of the pay application, subject to receipt of approval from the SJRA. The Board authorized payment of the pay application once approval is received from the SJRA.

The engineer reported that Phase 1 of the sanitary sewer system repairs is almost complete. There are some point repairs that remain to be done, and there are two encroachments onto District easements that are interfering with the work. In one place a tree will need to be removed, and in another instance a temporary building will need to be moved. The engineer stated that he would review the situation and make a determination and recommendation to the Board at the next meeting. The Board asked the engineer if he had any photographs of the tree and building, but the engineer had not had an opportunity to take the photographs.

The District continues to monitor copper in the District's sewage influent. The operator takes periodic samples because the District experiences occasional spikes in the copper levels at the sewage treatment plant.

Finally, the engineer reported that he sent a copy of the District's storm sewer outfall inspection report to the engineer for Drainage District No. 6. The Drainage District engineer has confirmed that the Drainage District intends to repair all of the outfalls located in their right-of-way.

Upon unanimous vote, the Board approved the engineer's report as presented.

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


Secretary