

RAYFORD ROAD MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors

April 13, 2015

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, April 13, 2015, 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
Paul Alli, Director

and the following absent:

Michael Smith, Assistant Secretary.

Also present were Bill Russell, Mike Williams, Jason Hajduk, Jared Daly, Sergeant Weis, Paul Green, Dana Rodgers, Terry Moore, Nathan Williams, Kathryn Nichols, Jim Nichols, Vince Casimir, 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 held March 9, 2015 were presented for the Board's review and approval. Upon unanimous vote, the minutes were approved as presented.

2. Sergeant Weis presented a law enforcement report and reported the following statistics: there were 492 contract calls; one District call; 63 reports taken; two felony arrests; 15 misdemeanor arrests; 455 citations and tickets; six crashes; and 12 charges filed. The constables drove a total of 6,168 miles in the District during the month.

Sergeant Weis reported that the plant facilities are checked during each shift, and he personally walked inside the sewage treatment plant. During the previous month, there was a serious incident of vandalism, which will be reported in more detail by the operator. The vandals did a lot of damage between the hours of 4:00 a.m. and 7:00 a.m. Apparently they came back the following day, because the officer saw at least one juvenile leaving the plant site when he patrolled the following day. Sergeant Weis suggested that the District post signs notifying people on the plant site that they are on camera. The officers are now routinely going to the interior of the plant site. Sergeant Weis did note that the plant site is large and wooded and therefore difficult to patrol. Motion sensors might be a good idea, and cameras can help identify suspects. Constables will do building checks. As for the remainder of the report, the Sergeant noted that there was one burglary that resulted because the homeowner left the garage door open.

3. Ms. Dana Rodgers appeared on behalf of the World Champion Gymnastics Foundation and requested that the Board approve a "Fun Run" on District property

on June 27, 2015. The "Fun Run" will raise funds for charity and will include a children's one-mile run and a 5K. The World Champion Gymnastics Foundation would like to use the District's parking lot, pavilion and walking trails. Ms. Rodgers noted that her organization had never conducted an event like this but they anticipate 100 people. They have already checked times and dates, and the event will not conflict with swim team or any other events at the pavilion. The operator noted that the District's typical usage fee was \$50 for the pavilion, \$20 for the bathrooms, and a \$300 deposit. The attorney suggested that the Board require a liability policy naming Rayford Road MUD, Montgomery County Drainage District No. 6, and the property owners association as additional insureds. The matter would also need to come before Montgomery County Drainage District No. 6, since the 5K route goes across their drainage channel. After discussion, upon unanimous vote, the Board approved the request of World Champion Gymnastics Foundation for a fundraising 5K and children's fun run on District property, and the Board further agreed to waive the costs of the pavilion and bathroom rental, since the proceeds benefit a charity. The Board will require a \$300 deposit and the insurance policy recommended by the attorney as a condition of conducting the event.

4. Bill Russell presented a bookkeeper's report, a copy of which is attached. After this meeting, the debt service fund balance will stand at \$1,939,179.48. The capital projects fund will stand at \$92,091.34. The operating fund will stand at \$2,973,559.73. Expenditures exceeded revenues for 10 months of the fiscal year by \$303,261.43. The bookkeeper transferred \$638,256.60 from surplus funds for the sanitary sewer rehabilitation project in accordance with the Board's previous authorization from August, 2013. 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.

5. Mike Williams presented an operator's report. The District billed \$233,443.62 to customers for services rendered. The operator took 10 bacteriological samples, all of which were acceptable. The District accounted for 100% of the water produced. The District served 3,815 customers, and 3,593 customers received all services including garbage. The sewage treatment plant operated at 73% of capacity with no permit violations. The operator requested write-off of 12 accounts in the total amount of \$944.58, and the Board approved the request. The operator reported that they collected a write-off of \$162.84 and the Board commended Mr. Williams on his diligence in attempting to collect old accounts.

The operator next reported on the "heinous" vandalism at the sewage treatment plant. The vandals destroyed as-builts of District facilities, some of which were framed and hung on the wall. The operator was very disappointed to have lost several of the prints and as-builts, as these documents were used routinely by operations personnel. Jason Hajduk noted that his office has many of these items on AutoCAD for the newer sections. The operator noted that the as-builts and GIS information is used by his office when making repairs, and the loss of this information will impair the operator's ability to do his job. The Board requested that the engineer get pricing for preparing booklets or as-builts that can be used by the operator to replace those items that were damaged and destroyed.

The operator also noted that the vandals broke the main breaker and cut the auto dialer. The damage was very extensive, and it was a wonder that the person was not

electrocuted. The Board authorized the operator to get pricing for appropriate security devices and monitoring at the plant site as soon as possible. The Board authorized the operator to handle the installation of such devices for a cost not to exceed \$10,000.

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

6. Mike Williams presented a parks and recreational facilities report. There were 21 calls regarding issues in the parks. Five calls were for the pavilion, and 16 calls were for the ball fields. The operator reported that the fence and bollards around the ball fields was installed about 13 years ago and is old. The Board asked the operator to present options at next month's meeting, including repair, replacement or removal. Upon unanimous vote, the Board approved the parks report as presented.

7. The Board then considered the Resolution Affirming Review of Identity Theft Prevention Plan. The District's operator informed the Board that his office reviews the policy regularly. The operator informed the Board that the current policy is effective and no changes are necessary at this time. Upon motion duly made, seconded, and unanimously carried, the Board approved the Resolution as presented.

8. The Board then considered the attached Order Adopting Water Conservation Plan. The attorney noted that changes were necessary to the plan to align it with the San Jacinto River Authority's water conservation plan. The District is a participant in the SJRA's Groundwater Reduction Plan, and therefore the District's plan must be at least as strict as the SJRA's plan. Upon unanimous vote, the Board adopted the Water Conservation Plan as presented.

9. The Board discussed the Drought Contingency Plan. The attorney noted that she had also modified this plan to align it with the SJRA's drought contingency plan. Upon unanimous vote, the Board adopted the attached Drought Contingency Plan as presented.

10. Jason Hajduk presented an engineer's report. The engineer reported that the SJRA surface water conversion project is slowing down. The engineer presented Change Order No. 2 in the amount of \$21,965 to connect a 1" chlorine line at both plants to the booster pumps. The SJRA has approved the change order, which will be paid with funds advanced by the SJRA. Upon unanimous vote, the Board approved issuance of the change order.

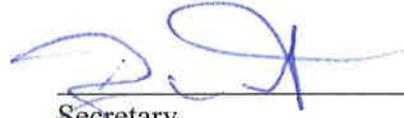
The engineer had nothing new to report on the WER study to support raising the copper limitations in the District's waste discharge permit.

The engineer had one inquiry from an engineer regarding a proposed self storage site. The District engineer provided information. In addition, the engineer received a landowner request for annexation into the District in order to receive sewer service only for 12,000 gallons per day, or three connections. The tract is located at the intersection of Rayford Road and Spring Forest Drive. The proposed developer, Vince Casimir, was present and addressed the Board. He noted that he was proposing the development of a small retail center and would be interested in exploring annexation feasibility. He noted that deed restriction issues were being addressed with the neighboring homeowners. Upon unanimous vote, the Board authorized a feasibility study to

be performed regarding the potential annexation, subject to receipt of necessary deposits for engineering and legal costs.

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