

RAYFORD ROAD MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors

November 14, 2016

The Board of Directors ("Board") of Rayford Road Municipal Utility District ("District") met at 27316 Spectrum Way, Oak Ridge, Texas, on November 14, 2016, 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
Paul Alli, Director

and the following absent:

Brendon Keith, Secretary.

Also present were Bill Russell, Mike Williams, Jason Hajduk, Corporal Baker, Paul Green, Jim Nichols, Kathryn Nichols, James Ridgeway, Jr., Christie Leighton, 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 October 10, 2016 were presented for the Board's review and approval. Certain corrections were suggested, and upon unanimous vote, the minutes were approved as amended.

2. Corporal Baker presented a law enforcement report and reported the following statistics: there were 509 contract calls; eight District calls; 73 reports taken; four felony arrests, 20 misdemeanor arrests; 419 citations and tickets; and 21 charges filed.

Director Smith reported that juveniles have been seen in the fighting in the park and throwing trash the neighborhood. The officers will work to apprehend them.

Upon unanimous vote, the Board approved the law enforcement report as presented.

3. Christie Leighton then presented the quarterly report from Best Trash. The Board had no complaints or issues regarding the service.

4. Under customer comments, Mr. James Ridgeway, Jr. addressed the Board to lobby again for a purple pipe (reclaimed water) system and winter averaging for water bills. Mr. Ridgeway also noted that he would like to see the District budget, all of the fixed costs of water separately. He also discussed whether the District could save money by installing a Smart Meter. The Board instructed the attorney to place an item on the January agenda to further discuss the Smart Meter program with representatives of Accurate Meter.

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 \$1,470,283.33. The capital projects fund will stand at \$91,949.17. The operating fund will stand at \$2,635,742.57. Expenses exceeded revenues for four months of the fiscal year by \$383,244.12. 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 \$371,725.95 to customers for services rendered. The operator took 10 bacteriological samples, all of which were acceptable. The District accounted for 98% of the water produced. The District served 3,818 customers, and 3,594 customers received all services including garbage. The sewage treatment plant operated at 63% of capacity with no permit violations. The operator requested write-off of four accounts in the total amount of \$364.13, and the Board approved the request. The District received \$137.30 for a recovered write-off.

The operator reported that the SJRA had a major main line break at Grogan's Mill. The District is no longer receiving surface water and is using its wells.

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 15 calls regarding issues in the parks. Three calls were for the pavilion, 11 calls were for the ball fields, and one call was received this month for information. The operator reported that the parks and ball fields have been seeded with rye grass for the winter, and the fields are being prepared for fall T-ball. Upon unanimous vote, the Board approved the parks report as presented.

8. The attorney discussed the need for an updated records control schedule and Declaration of Compliance with Local Government Records Act. Upon unanimous vote, the Board approved the attached Order Adopting Records Control Schedule and approved and authorized execution of the Declaration of Compliance.

9. The Board considered renewal of the District's insurance policies. The District's current policies and coverages remain substantially the same, but the premium cost increased by \$798. The Board reviewed the proposals for coverage from Highpoint in detail, and upon unanimous vote, the Board authorized the renewal as presented.

10. Jason Hajduk presented an engineer's report. At the wastewater treatment plant, fence construction is almost complete. The engineer is working with the contractor regarding a gap under fence and has informed the contractor that the gap is unacceptable.

With regard to the sanitary sewer rehabilitation project options, the engineer explained that the District has three options for repair of the sanitary sewer system. The study found structural damage to significant portions of the pipe. Option A would be to make all structural repairs at an estimated cost of \$286,610. Option B would be to make the structural repairs and also repair any lateral cracks at an estimated cost of \$524,241. Option C would be to

make the structural repairs, repair the lateral cracks, and repair any other defects that are seen at an estimated cost of \$872,748. In the past, the District has gone with the option of making structural repairs and patching lateral cracks, and the engineer recommended continuation of this process. Upon unanimous vote, the Board authorized the engineer to prepare plans and specifications and advertise for bids for Option B to make structural repairs and fix lateral cracks. As part of the project, the contractor will repair and reline two force main manholes.

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

11. There was no new information to convey on the San Jacinto River Authority's conveyance of facilities.

12. Jim Holcomb sent an e-mail with the developer's report. The Kroger is signing a lease renewal, and the shopping center is adding a new T-Mobile store.

13. Under pending business, the Board agreed to allow the attorney to send Davis Bonham, Jr. to the December meeting if District business remains routine so that Ms. Aylett could attend a school function for her daughter. The Board will receive Smart Meter presentations in January, 2017. Ms. Aylett thanked the Board for their consideration.

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


Secretary