

RAYFORD ROAD MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors

February 13, 2017

The Board of Directors ("Board") of Rayford Road Municipal Utility District ("District") met at 27316 Spectrum Way, Oak Ridge, Texas, on February 13, 2017, in accordance with the duly posted notice of the meeting, with a quorum of directors present, as follows:

Frank Moore, Vice President
Brendon Keith, Secretary
Michael Smith, Assistant Secretary

and the following absent:

Jon Vallery, President
Paul Alli, Director.

Also present were Bill Russell, Mike Williams, Jason Hajduk, Sergeant Baker, Deputy Glen Arnold, Dayne Burson, Micah Burson, Jim Nichols, Kathryn Nichols, James Ridgeway, Jr., Christie Leighton, Dave Stephens, and Lori G. Aylett.

In the absence of the President, the Secretary called the meeting to order and declared it open for such business as might regularly come before it.

1. Minutes of the meeting held January 9, 2017 were presented for the Board's review and approval. Upon unanimous vote, the minutes were approved as presented.

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

3. Sergeant Baker and Deputy Arnold presented a law enforcement report and reported the following statistics: there were 281 contract calls; 18 District calls; 82 reports taken; one felony arrest; seven misdemeanor arrests; 281 contract calls; six crashes; and 10 charges filed. Upon unanimous vote, the Board approved the law enforcement report as presented.

4. Dave Stephens approached the Board on behalf of the Imperial Oaks Swim Team and presented a request for use of facilities, including a schedule of team events and use of the pool. The Board reviewed the proposed dates, and upon unanimous vote, the Board approved the request for use of facilities and proposed swim team dates as presented.

5. Under customer comments, a resident reported that there was someone in the neighborhood going door-to-door soliciting for a security system company. This person apparently monitors police scanner activity and blankets areas that have recently experienced some sort of crime. Law enforcement made contact with the individual and advised that door-to-door solicitation is not permitted in Imperial Oaks.

6. Bill Russell presented a bookkeeper's report, a copy of which is attached. After this meeting, the debt service fund balance will stand at \$3,869,085.06. The capital projects fund will stand at \$91,973.19. The operating fund will stand at \$3,519,739.95. Revenues exceeded expenses for eight months of the fiscal year by \$495,972.22. 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.

7. The Board considered a tax assessor/collector's report. Taxes were 93% collected as of January, 2017.

8. The Board considered the tax assessor/collector's contract. The attorney noted that the District must give notice of termination by March 1 of each year to avoid assessment of collection fees. The Board noted that they were happy with the tax assessor's service, and therefore no action was taken.

9. Mike Williams presented an operator's report. The District billed \$291,808.90 to customers for services rendered. The operator took 10 bacteriological samples, all of which were acceptable. The District accounted for 95% of the water produced. The District served 3,819 customers, and 3,594 customers received all services including garbage. The sewage treatment plant operated at 70% of capacity with no permit violations.

The operator reported collection on an account which had been written off in the total amount of \$110.44.

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

10. The Board next considered a follow-up presentation regarding Smart Meters. Dayne Burson of Accurate Meter presented information relative to the Smart Meter Program. He stated that the Board President had requested that he provide information regarding the cost of changing out 50 meters per month. If Accurate Meter installed 50 meters per month, the cost per month would be \$26,500. To install meters throughout the entire District, the cost would be approximately \$1,613,005, with a monthly subscription cost of \$3,406.92. In addition he presented information about a lease / purchase agreement available from Governmental Capital Corporation. The attorney noted that she had not researched the relevant statutes applicable to lease / purchase agreements for water meters and would need time to do so before giving an opinion on whether the Board could consider that option. The Board members noted that they did not want to consider the matter further until all of the Board members were present. Accordingly, the Board tabled consideration of the matter and requested that the attorney put the item back on the next agenda.

11. Mike Williams presented a parks and recreational facilities report. There were 11 calls regarding issues in the parks. Six calls were for the pavilion, four calls were for the ball fields, and one call was received this month for information. The operator presented photographs of repairs and painting at the pavilion. Broken light fixtures were replaced at the pavilion. The Board commended Mr. Williams on his work. Upon unanimous vote, the Board

approved the parks report as presented.

12. Mr. Ridgeway approached the Board and asked questions about the use of strategic partnership agreement revenues in water districts, and the attorney gave some general explanations.

13. Jason Hajduk presented an engineer's report. With regard to the SJRA surface water conversion project, the SJRA is repairing the 30-inch water main in The Woodlands. Their current schedule is to have water flowing in the line by the first of April, and until that time, the District will continue to use its wells. The engineer reported that the TCEQ has requested additional information on the elevated storage variance. On the Rayford Road expansion project, the right-of-way acquisition is 98% complete. Construction is currently set for the first quarter of 2017. At the wastewater treatment plant, fence construction is almost complete and barbwire has been installed. Jason Hajduk noted that razorwire still needs to be installed on the top of the fence. Also, there is a drainage area that goes under the fence that needs to be reconfigured.

The engineer next reported on efforts necessary to perform various plants inspections. It is time for the periodic tank inspections and engineering efforts associated with this will cost approximately \$17,200. The Board authorized the work to begin. The engineer will open bids on February 21, 2017 for the sanitary sewer rehabilitation project. The engineer is also taking bids from a manhole coating company for a new method of manhole repairs.

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

14. With regard to the SJRA – conveyance of facilities and easements, there was no action necessary at this time.

15. The Board discussed the Phase II (small) MS4 Annual Report for members of the South Montgomery County Stormwater Coalition. The attorney recommended approval of the annual report and execution by the Board Vice President. Upon unanimous vote, the Board approved the annual MS4 report and authorized its submission to the TCEQ as required by law.

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



Secretary