

## **RAYFORD ROAD MUNICIPAL UTILITY DISTRICT**

### **Minutes of Meeting of Board of Directors**

August 14, 2017

The Board of Directors (“Board”) of Rayford Road Municipal Utility District (“District”) met at 27316 Spectrum Way, Oak Ridge, Texas, on August 14, 2017, 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  
James Nichols, Director

and the following absent:

Michael Smith, Assistant Secretary

Also present were Anthea Moran, Christie Leighton, James Ridgeway, Jr., Anne Ridgeway, Lucy Ridgeway, Tina Harry, Katie Harry, Nick Ali, Clayton Harry, Travis Lye, George Easton, Kathryn Nichols, Bill Russell, Mike Williams, Jason Hajduk, Paul Green, Sergeant Baker, Deputy Christopher Carolan, Kathryn Nichols, and J. Davis Bonham, Jr.

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 July 10, 2017 were presented for the Board’s review and approval. Upon unanimous vote, the minutes were approved as presented.

2. Sergeant Baker presented a law enforcement report and reported the following statistics: there were 426 contract calls; 49 District calls; 80 reports taken; four felony arrests; 10 misdemeanor arrests; 11 crashes; and 14 charges filed. Sergeant Baker introduced Deputy Christopher Carolan who will be working under the District’s contract. Upon unanimous vote, the Board approved the law enforcement report as presented.

3. The Board recognized Christie Leighton who presented the Best Trash quarterly report.

4. Anne Ridgeway addressed the Board regarding the maintenance of a wooden bridge in a pocket park near her home. Ms. Ridgeway informed the Board that the bridge is used frequently and has fallen into disrepair. The Board directed the operator to inspect the bridge and to complete any needed repairs. James Ridgeway then addressed the Board regarding the provision of utility service to Imperial Oaks POA. Mr. Ridgeway requested that the Board consider the adoption of a separate reduced rate for the POA. Mr. Ridgeway informed the Board that he is not aware of a request from the POA for a reduced rate. Mr. Ridgeway then addressed the Board regarding the costs associated with both the District’s purchase of surface water from the SJRA and the pumpage fees associated with the production of groundwater within the SJRA GRP. George Easton addressed the Board regarding the ongoing sanitary sewer

rehabilitation. Mr. Easton informed the Board that he was provided with very little notice of plans to enter his property and dig within the easement and due to such short notice he was unable to remove plants located within the easement in order to prevent damage. Mr. Easton requested that the Board work to improve notice to District residents when work is to be performed in backlot easements.

5. Bill Russell presented the bookkeeper's report, a copy of which is attached. After this meeting, the debt service fund balance will stand at \$1,286,693.19. The capital projects fund will stand at \$91,976.22. The operating fund will stand at \$2,991,733.44. Upon unanimous vote the Board approved the bookkeeper's report as presented and authorized payment of the remainder of the District's bills.

6. The Board reviewed the tax assessor/collector's report. The report reflected that the District's 2016 taxes are 99.43% collected.

7. Mike Williams presented an operator's report. The District billed \$349,251.80 to customers for services rendered. The operator took 10 bacteriological samples, all of which were acceptable. The District accounted for 93% of the water produced. The District served 3,819 customers, and 3,599 customers received all services including garbage. The sewage treatment plant operated at 64% of capacity with no permit violations.

The operator requested write-off of three accounts in the total amount of \$888.99, and the Board approved the request.

The operator then addressed the Board regarding a request for waiver of delinquency and termination fees from Bailey Fellows. The Board reviewed the request and account history in detail with the operator. Upon unanimous vote, the Board agreed to a one time waiver of one-half of the amount requested to be waived.

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

8. Mike Williams presented a parks and recreational facilities report. There were 15 calls regarding issues in the parks. Eight calls were for the pavilion, six calls were for the ball fields, and one calls were received this month for information.

The operator reported that three dead trees were removed in wetlands, and regular maintenance was performed at the facilities. The operator addressed the Board regarding the irrigation of District park property. Mr. Williams informed the Board that the property is currently irrigated by a sprinkler system owned by the Imperial Oaks POA that also serves adjacent property owned by the POA. Mr. Williams informed the Board that there is not a practical way to separate the two systems and that the most cost effective way to address the problem is to construct a new system to serve the District's property. Mr. Williams informed the Board that he will work with the District's attorney to ensure the appropriate location of the system and controller. Mr. Williams requested authorization not to exceed \$15,000 to complete the work. Upon motion duly made, seconded, an unanimously carried, the Board authorized the irrigation work as requested.

Upon unanimous vote, the Board approved the parks report as presented.

9. Jason Hajduk presented an engineer's report. The engineer reported that the Rayford Road expansion utility relocation is underway. With regard to the District's interconnect with Spring Creek Utility District, the engineer informed the Board that there is nothing new to report. The Board noted that a letter was sent to the Spring Creek Utility District board of directors and that Spring Creek Utility District has not responded. The engineer reported that at the wastewater treatment plant, he has received Pay Application No. 3 and Final in the amount of \$6,275.61.

The sanitary sewer rehabilitation is underway.

The engineer then addressed the Board regarding the proposed commercial water line loop. The engineer presented cost estimates associated with two options to loop the system. The Board discussed the easements to be acquired. The Board directed the engineer to contact Montgomery County Drainage District No. 6 regarding the location of the water line within the DD6 drainage facilities.

The engineer then presented a request from Jim Holcomb for the Board's consideration. Mr. Holcomb would like to construct a new perimeter fence along the eastern boundary of Imperial Oaks Park, Section 10 and would like to maintain a fifteen foot reserve to be created. The engineer informed the Board that he will need to obtain additional information regarding the proposal and that no action is needed at this time. The Board requested that the engineer present additional information at the September meeting.

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

10. The engineer then reviewed with the Board in detail an annexation feasibility study for Sam's Car Wash. The Board discussed the projected utility revenue and a request from the developer to reduce the proposed out of District service rate. The Board agreed to consider the matter further at the September meeting.

11. No action was necessary with respect to the SJRA easements.

12. The Board then considered Notice of Proposed Production Schedule from the SJRA. The District's operator and engineer addressed the Board regarding the proposed production schedule and informed the Board that the production schedule is adequate to meet the District's water supply needs.

13. The Board then considered the District's Tax Assessor/Collector Contract with Montgomery County. The attorney noted that the contract is coming up for renewal. The Board agreed to continue to utilize the Montgomery County Tax Assessor/Collector for the collection of the District's taxes.

14. Anthea Moran presented a financial advisor's report and 2017 tax rate analysis. She first reported that the District's 2017 certified value was up \$20 million from last year. The financial advisor recommended that the District drop its debt service rate from \$0.38 to

\$0.36, a reduction of \$0.02. The Board reviewed the District's general fund budgetary needs with the bookkeeper who recommended a \$0.15 maintenance and operations tax be levied, for a total tax rate of \$0.51. The Board agreed that it would be appropriate to conduct a public hearing at the District's next regularly scheduled meeting. Upon unanimous vote, the Board authorized publication of the tax rate calculations with a proposed debt service rate of \$0.36 per \$100 assessed valuation and a maintenance tax of \$0.15 per \$100 assessed valuation.

15. No executive session was necessary.

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

  
Secretary