

RAYFORD ROAD MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors
March 12, 2007

The Board of Directors ("Board") of Rayford Road Municipal Utility District ("District") met on March 12, 2007, at 230 Spring Hill Drive, Suite 325, Spring, Texas 77386, in accordance with the duly posted notice of the meeting, with a quorum of Directors present, as follows:

Danny E. Agans, President
Michael Smith, Vice President
Charles W. Venema, Director

and the following absent:

Jon Vallery, Secretary
Duane Burrell, Director

Also present were Vickey Sullivan, Bill Russell, Jason Hadjuk, Lorene Roy, Mike Williams, Sergeant Jeff Brown, Brian Jarrard and Herman I. Little, 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 of February 12, 2007 were presented and reviewed. The Board requested a correction of the minutes, and upon motion by Director Venema, seconded by Director Smith, the Board voted unanimously to approve the minutes as corrected.

2. Vickey Sullivan presented a tax assessor/collector's report. 2006 taxes are 92.5% collected. 2005 taxes are 99.9% collected. The District's total taxable assessed valuation stands at \$407.4 million. There is no property remaining uncertified in the District. Upon motion by Director Venema, seconded by Director Smith, the Board voted unanimously to approve the tax assessor/collector's report as presented.

3. Mike Williams presented an operator's report. The District received water and waste collection and disposal revenues of \$129,146.41 during the month. Total revenues were \$151,055.44. The District accounted for 93% of water produced. Ten bacteriological samples were taken, and all were satisfactory. The wastewater treatment plant operated properly, and there were no permit violations. The plant operated at 61% of permitted capacity. Eleven taps were made during the month, bringing the total to 24 for the year-to-date. There are 3,599 connections. Mike Williams presented a list of nine delinquent accounts that are uncollectible and recommended that the accounts be written off. The total is \$424.07. After discussion, upon motion by Director Venema, seconded by Director Smith, the Board voted unanimously to authorize writing-off delinquent accounts totaling \$424.07 as recommended by the operator.

4. Mike Williams presented a report on the Imperial Oaks Park and grounds maintenance. Regular mowing was accomplished, and fertilizer and ant poison were applied. There has been good use of the ball fields, and five requests were received for use of the pavilion. The benches and picnic tables were power-washed as authorized by the Board. Mike Williams requested that the Board authorize application of red clay dirt on the ball fields. This has been done previously, and it keeps the ball fields in good playing condition. After discussion, upon motion by Director Smith, seconded by Director Venema, the Board voted unanimously to approve the purchase and application of one load of red clay dirt on the ball fields. Upon motion duly made, seconded and unanimously carried, the Board approved the operator's reports as presented.

5. Bill Russell presented a bookkeeper's report, a copy of which is attached to the minutes. After payment of bills at this meeting, the debt service fund balance stands at \$2,280,071.15. The capital projects fund balance is \$2,475,671.03. The general fund balance stands at \$782,538.63 following deposit of a transfer check approved at this meeting. The District's electric power service will be transferred from Constellation to Champions Energy. The bookkeeper has prepared a series of blank checks, so all electricity accounts may be paid on a timely basis. Bill Russell reported that the final payment has been made on the wastewater treatment plant settlement account. The final payment was \$1,049.65. The Board reviewed the report and a series of checks presented for payment of current bills. The Board reviewed a budget comparison report, and it was noted that the District has net revenues of \$107,127.81 for seven months of the year-to-date.

Director Venema inquired concerning problems with Republic Waste. One pick up was missed in the neighborhood. There was discussion, and it was mentioned that other areas of the District had been collected on that day. The Board requested that the attorney and bookkeeper check with Curtis Lacey at Republic Waste on the status of a missed pick up. The date was either February 7 or February 14, 2007. After discussion, upon motion by Director Venema, seconded by Director Smith, the Board voted unanimously to approve the bookkeeper's report and authorized payment of bills listed thereon.

6. Jason Hadjuk presented an engineer's report. The engineers will meet again at Water Plant No. 2 to listen to the booster pump noise to see if any other action can be taken. A bid opening will occur on May 15, 2007 for the Rayford Road paving improvements. Construction should be started within 90 days. No progress is being made on the Robinson Road project. There was discussion, and Director Agans requested information on the width of the right-of-way of Robinson Road following the improvements. It was mentioned that Commissioner Chance will be addressing the property owners association concerning the Rayford and Robinson Road projects. Director Agans inquired concerning construction that is occurring at the curve of Robinson Road. The District had denied the request for annexation of property for development in that area. Director Venema noted that the work is the Drainage District 6 regional detention pond. Mr. Hadjuk reported that the drainage project for Sections One and Six is almost complete. The outfall is being cleared, and street repairs are being performed. Herman Little advised the Board that he will be meeting with an attorney representing property owners from whom drainage easements are needed for the upstream phase of the project. After discussion, upon motion duly made, seconded and unanimously carried, the Board approved the engineer's report as presented.

7. Brian Jarrard presented a developer's report. Most of the utilities are complete on the Kroger site. Paving is starting in the near future. It is expected that the Kroger store will be opened by November, 2007. In response to a question by Sergeant Brown, Mr. Jarrard reported that he did not know the date of opening of the Aldine Westfield Road extension.

8. Sergeant Jeff Brown presented a law enforcement report. The written report has been provided to Director Burrell. All activity has been normal in the District, and traffic contacts have gone down. There have been problems with radar units that will need to be replaced. The new video equipment has been received and will be installed to coordinate with the radar equipment. Evidence cameras that have been ordered should arrive soon, also. Sergeant Brown reported that Officer Vogel will start patrolling soon after completing his orientation and field training. The new vehicle has not been purchased yet, but it is expected by the end of the month. The POA office lease agreement was approved, and the Constable hopes to move into the office within a month. Doors and windows are being replaced. In response to a question by Director Smith, Sergeant Brown reported that small motorcycles with displacement capacity less than 50 ccs are not subject to regulation or licensing. If the capacity is more than 50 ccs, then the vehicle must be registered, inspected and insured, and only operated by a licensed driver. There was discussion, and Sergeant Brown noted that the operation of golf carts on public streets is not allowed. After discussion, upon motion duly made, seconded and unanimously carried, the Board approved the law enforcement report as presented.

9. The Board reviewed a First Supplement to Interlocal Cooperation Agreement with Montgomery County. Herman Little advised the Board that following Board approval of the First Supplement at the last meeting, the Montgomery County Attorney and Constable requested minor changes of the agreement to conform to County purchasing policies and contracting procedures. Herman Little advised the Board that the changes are not consequential and recommended approval of the revised First Supplement. Upon motion by Director Venema, seconded by Director Smith, the Board voted unanimously to approve and authorize signing the revised version the First Supplement to Interlocal Cooperation Agreement with Montgomery County as presented.

Director Venema suggested that the Board authorize communications with the new districts, MUD 99 and MUD 115, concerning possible sharing of law enforcement resources with the District. If the other districts agree to participate, the districts together will have greater law enforcement coverage, and if one additional officer were added, there would be two officers in the newly purchased vehicle. There was discussion, and upon motion by Director Smith, seconded by Director Agans, the Board voted unanimously to authorize Director Venema to prepare a draft letter to the new districts for review by the attorney and approval by the Board.

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


Secretary