

RAYFORD ROAD MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors
October 11, 2010

The Board of Directors ("Board") of Rayford Road Municipal Utility District ("District") met on October 11, 2010 at 312 Spring Hill Drive, Suite 100, West Entrance, Spring, Texas 77386, 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
Charles Saxe, Secretary
Michael Smith, Assistant Secretary
Paul Alli, Director

and the following absent:

None.

Also present were Bill Russell, Sergeant Josh Hanson, Mike Williams, Jason Hajduk, Savannah Saxe, Lorene Roy, George Defenbaugh, Mike Dillon, and Herman I. Little, Jr.

1. Minutes of the meeting held on September 13, 2010 were presented and reviewed. Upon motion by Director Moore, seconded by Director Saxe, the board voted unanimously to approve the minutes as presented.

2. Sergeant Josh Hanson presented a law enforcement report. There were five accidents, 14 disturbances, three criminal mischief incidents, one misdemeanor assault, one death investigation, one family violence call, one drug-involved call, five firearms-related incidents, two intoxicated persons, one DWI, and four warrant arrests.

Sergeant Hanson advised the Board that the constables will be requesting funding to purchase three new radar units to be used in vehicles that patrol in the District. The estimated cost of the radar units is \$4,243.44. Also, the constable will be requesting purchase of five tasers for use by the individual officers who patrol in the District. The cost of tasers will be \$6,000. Sergeant Hanson noted that each taser is equipped with a video camera that will record incidents involving the taser. There was discussion, and it was mentioned that the matter will be on the meeting agenda for next month for the Board to authorize expenditures as requested. Director Vallery expressed appreciation to Sergeant Hanson for the work that he and the other officers do in the District.

3. 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 \$1,558,502.57. The capital projects fund balance is \$174,084.85. The general fund balance is \$902,503.43. This represents approximately 31% of annual requirements. The tax account balance is \$27,356.41. 2009 taxes are 98.99% collected. The Board reviewed a budget

comparison report and noted that the District has expenditures greater than revenues of \$242,594.43 for four months of the year-to-date. After discussion, upon motion by Director Saxe, seconded by Director Moore, the Board voted unanimously to approve the bookkeeper's report and to authorize payment of bills listed thereon. Upon motion by Director Smith, seconded by Director Saxe, the Board voted unanimously to approve payment of director fees and expenses.

4. Bill Russell presented an amended budget for the fiscal year ending May 31, 2011. Bill Russell noted that the revenues and expenses have been separated on the report, and revenues and expenses have been added for the San Jacinto River Authority fees. The format of the expenses also has been changed for easier review. There was discussion of the budget, and upon motion by Director Moore, seconded by Director Alli, the board voted unanimously to approve the amended budget as presented.

5. Mike Williams presented an operator's report. There are 3,770 connections in the District, of which 3,536 are occupied single-family residences. There are 53 vacant residences. The District collected revenues of \$259,125 for service provided during the month.

Ten bacteriological samples were taken, and all were satisfactory. Twenty-two repairs were made in the water system during the month. The wastewater treatment plant operated properly at 73% of permitted capacity, and there were no permit violations. Three taps were made during the month, bringing the total to 14 for the year-to-date.

Mike Williams reported that on the previous Friday at approximately 4:00 p.m., there was a call for repair of a sewer main on Haven House that had collapsed. The line was 15 feet deep, and it required work over the entire weekend to make the repairs. Twenty-five feet of line were replaced. The work required partial closure of the road. There was discussion, and it was mentioned that the materials that failed were ABS truss pipe. This was the standard material for sanitary sewer lines 30 years ago, but it has not withstood weather and aging very well. The District has many lines of ABS truss pipe. Mike Williams reported that there also had been a water main leak in The Lakes. A water main blew out under a driveway, and the repair was very costly. After discussion, upon motion duly made, seconded and unanimously carried, the Board approved the operator's report as presented.

6. Mike Williams presented a report on Imperial Oaks parks and recreation facilities. There were 47 calls for use of District facilities during the month, including 17 for the pavilion. The operator planted annual flowers and installed mulch in flower beds.

7. Jason Hajduk presented an engineer's report. Work is proceeding slowly on the clarifier project at the wastewater treatment plant. The contractor is waiting for materials to be used in the work. Jason Hajduk reported that the long-term management plan is being prepared, and approximately 20 pages of data have been prepared in a spreadsheet to describe the facilities and anticipated costs. Mr. Hajduk met with Mike Williams to go over the report. Mr. Hajduk reported that the sewer lines in Sections One and Two have ABS truss pipe. After discussion, upon motion duly made, seconded and unanimously carried, the Board approved the engineer's report as presented.

8. Herman Little advised the Board that Constable Holifield approved and signed an Amendment of Interlocal Cooperation Agreement for Law Enforcement Services that had been requested by the District.

9. There was discussion of the Bond Election to be held on November 2, 2010. There was discussion of the importance of encouraging voters to participate. Early voting will begin on Monday, October 18, 2010 and will run through Friday, October 29, 2010. There was discussion, and it was mentioned that early voting is available during the week Mondays through Fridays, but early voting is not available on Saturdays or Sundays. Lorene Roy addressed the Board and suggested that the Board encourage people from the community to talk favorably about the election and the need for the water improvements when they are in meetings or in groups with neighbors in the community. People should be encouraged to vote early to avoid inconvenience on November 2, 2010. There was discussion of the election officials training for the election and electronic voting equipment. George Defenbaugh advised the Board that the training was good, and the subject was covered very effectively.

There was discussion of the sewer line repair, and in response to a question by Director Smith, it was mentioned that sewer line problems can result in penalties by the TCEQ if there is a major spill of wastewater. There was no spill in the situation that was repaired last week.

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



Secretary