

RAYFORD ROAD MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors

October 13, 2014

The Board of Directors ("Board") of Rayford Road Municipal Utility District ("District") met at 312 Spring Hill Drive, Suite 100, West Entrance, Spring, Texas, on Monday, October 13, 2014, 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
Michael Smith, Assistant Secretary
Paul Alli, Director

and the following absent:

None.

Also present were Bill Russell, Mike Williams, Jason Hajduk, Paul Green, Jim Nichols, Kathryn Nichols, 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 September 8, 2014 were presented for the Board's review and approval. Upon unanimous vote, the minutes were approved as presented.

2. Bill Russell presented a bookkeeper's report, a copy of which is attached. After this meeting, the debt service fund balance will stand at \$1,676,042.21. The capital projects fund will stand at \$730,001.05. The operating fund will stand at \$1,766,032.97. Expenditures exceeded revenues for four months of the fiscal year by \$1,496,276.05. 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.

3. Mike Williams presented an operator's report. The District billed \$315,359.42 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 3,815 customers, and 3,586 customers received all services including garbage. The sewage treatment plant operated at 82% of capacity with no permit violations. The operator requested write-off of 12 accounts in the total amount of \$1,186.28, and the Board approved the request. The Board asked the operator to give a report on the amounts of write-offs approved by the Board on an annual basis.

The operator received a letter from the Imperial Oaks Homeowners Association requesting a leak adjustment at the pool on Jander. A receipt for repairs was provided. However, the Board noted that the repairs were done on an irrigation meter so the water did pass through the meter and was used. No sewer was charged, so no adjustment could be made in that regard. After discussion, the Board declined to make any adjustment.

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

4. Mike Williams presented a parks and recreational facilities report. There were 23 calls regarding issues in the parks. One call was for the pavilion, 21 calls were for the ball fields and one call was for information. There were two parties held during the month. Regular mowing and clean-up was performed during the month, and light bulbs were changed under the pavilion. Mr. Williams reported that the soccer goals were replaced, but there have been some complaints about the condition of the fields and some holes that are holding water in front of the goals. The Board authorized the operator to put down dirt to stabilize the area.

5. Jason Hajduk presented an engineer's report. The SJRA surface water project is moving slowly due to wet weather.

The engineer presented Pay Application No. 6 to C.F. McDonald Electric, Inc. in the amount of \$102,195. Pursuant to the District's supplemental agreement with the SJRA, the District must receive SJRA's written approval before disbursing payments to the contractor. The engineer recommended payment of the pay application, subject to receipt of approval from the SJRA. The Board approved payment as requested, subject to receipt of SJRA approval. The Board noted its concern about mud from the SJRA project that is running into the District's storm sewer. The engineer and operator will discuss the matter with the SJRA so that the necessary corrective action is taken.

Phase 1 of the sanitary sewer rehabilitation project construction is complete, and the contractor is working on a post-construction video.


The engineer reported on the status of the study about effluent limits for copper at the wastewater treatment plant. The interim guidance document is complete and the engineer expects a new limit of 0.125, up from 0.0158. The District should be able to easily be in compliance with a copper limit of 0.125, if it is adopted by the TCEQ.

Upon unanimous vote, the Board approved the engineer's report as presented.

6. Director Vallery briefly discussed a question he had received from the POA regarding the necessity for backflow prevention devices on the irrigation system. The attorney and operator confirmed that those devices were required pursuant to TCEQ rules and must be tested periodically after installation.

7. No law enforcement officers were present, so the Board deferred consideration of that report.

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


Secretary