

RAYFORD ROAD MUNICIPAL UTILITY DISTRICT
Minutes of Meeting of Board of Directors
December 14, 2015

The Board of Directors ("Board") of Rayford Road Municipal Utility District ("District") met at 27316 Spectrum Way, Oak Ridge, Texas, on Monday, December 14, 2015, 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
Paul Alli, Director

and the following absent:

Jon Vallery, President.

Also present were Bill Russell, Mike Williams, Jason Hajduk, Jared Daly, Sergeant Weis, Jim and Kathryn Nichols, Clayton Harry, and Lori G. Aylett.

In the absence of the President, the Assistant 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 November 9, 2015 were presented for the Board's review and approval. Upon unanimous vote, the minutes were approved as presented.
2. Sergeant Weis presented a law enforcement report and reported the following statistics: there were 733 contract calls; no District calls; 33 reports taken; zero felony arrest, zero misdemeanors; 221 citations and tickets; eight crashes; and one charge filed. The constables drove a total of 6,685 miles in the District during the month. The Board members reported on recent news stories about packages being stolen off of front porches during the holidays. Sergeant Weis reported that so far, package deliveries have not been a problem. Upon unanimous vote, the law enforcement report was approved by the Board.
3. There were no comments from the public for the Board's consideration.
4. Bill Russell presented a bookkeeper's report, a copy of which is attached. After this meeting, the debt service fund balance will stand at \$1,750,896.15. The capital projects fund will stand at \$91,986.29. The operating fund will stand at \$2,439,883.70. Expenditures exceeded revenues for six months of the fiscal year by \$154,646.72. 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.
5. Mike Williams presented an operator's report. The District billed \$346,532.71 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 3,817 customers, and 3,594 customers received all services including garbage. The sewage treatment plant operated at 68% of capacity with no permit violations. The operator requested write-off of four accounts in the total amount of \$359.10, and the Board approved the request.

The operator reported they have cut back the District's receipt of surface water to control levels of copper in the effluent at the sewage treatment plant. The SJRA is working cooperatively with the District on permit compliance issues, and the engineer and operator are hopeful that the permit amendment will resolve this matter.

Mike Williams presented a request for an adjustment on behalf of a management company. They stated that the property was not occupied and could not have used the water as reflected on the meter. The management company complained about leaks, but none of the leaks were located on the customer's side of the meter. The operator bench tested the meter and it tested at 102%. The operator already adjusted the bill down by 2% for two years but the management company is still complaining. The operator confirmed that the house does have an irrigation system that was operational. The home used 19,000 gallons of water one month and 12,000 gallons another month. The Board noted that use of an irrigation system could easily result in the amount of usage reflected on the bill. After discussion, the Board declined to make any further adjustment to the account.

Finally, the operator received the results of the annual water system inspection. The District had no violations noted and the system remains a superior water system.

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

6. Mike Williams presented a parks and recreational facilities report. There were 14 calls regarding issues in the parks. Five calls were for the pavilion, eight calls were for the ball fields, and one call was for information. The operator replaced broken lights under the pavilion, and repairs are pending to the backstop. Upon unanimous vote, the Board approved the parks report as presented.

7. Jason Hajduk presented an engineer's report. The engineer presented Pay Application No. 12 and Final in the amount of \$145,944.70 to C.F. McDonald Electric, Inc. 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 applications, subject to receipt of approval from the SJRA.

The engineer reported that the major amendment to the waste discharge permit has been declared administratively complete as of November 23, 2015. It was noted that the attorney's address needs to be corrected before the required publications are made.

The engineer has submitted the elevated storage variance request on the District's behalf. The engineer informed the Board that the cost of televising and cleaning section 2 in Imperial Oaks will be \$64,150, and associated engineering will be \$21,000. This will enable the next phase of the inflow and infiltration study to be completed. The engineer will solicit bids on the Board's behalf and move forward with the work.

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

8. There was no developer's report for the Board's review.

9. Lori Aylett reported that as a result of recently enacted Senate Bill 1812, all entities with the power of eminent domain must annually submit certain information to the Texas Comptroller. The District will be required to submit not later than February 1st of each year a report containing records and other information needed for the Controller's eminent domain database, including the following: (i) name, (ii) address and public contact information, (iii) the name of a representative and their contact information, (iv) the type of entity, (v) each provision of law that grants the District eminent domain authority, (vi) the focus or scope of eminent domain authority, (vii) the earliest date on which the District had the authority to exercise eminent domain, (viii) the District's taxpayer identification number, if any, (ix) whether the District exercised its eminent domain authority in the preceding calendar year by filing a condemnation petition, and (x) the District's website address or, if it does not have one, the contact information to enable a member of the public to obtain information from the District. The attorney requested that the Board authorize her office to file the annual report with the Texas State Comptroller not later than the February 1, 2016 deadline. Upon unanimous vote, the Board authorized the attorney to make the submission as required by law.

10. Lori Aylett advised the Board as to certain notice requirements for the upcoming directors election. Pursuant to the requirements of the Texas Water Code and the Texas Election Code, the District must post a notice of the deadline for candidates to file applications for place on the ballot no later than Monday, December 21, 2015. The notice must be posted at the same location where the District posts its meeting notices and must remain posted through 5:00 p.m. on Friday, February 19, 2016. The notice must be posted in English and Spanish. The Board authorized the attorney to take the necessary actions to post the required notice.

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



Secretary