

RAYFORD ROAD MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors

February 8, 2016

The Board of Directors ("Board") of Rayford Road Municipal Utility District ("District") met at 27316 Spectrum Way, Oak Ridge, Texas, on Monday, February 8, 2016, 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, Mitch Crawford, Jason Hajduk, Jared Daly, Mark Jarratt, Jim Nichols, Kathryn Nichols, Paul Green, Clayton Harry, Constable Ryan Gable, Chief Deputy Matt Rodrigue, 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 January 11, 2016 were presented for the Board's review and approval. Upon unanimous vote, the minutes were approved as presented.
2. There was no representative of Best Trash present to present a report.
3. Chief Deputy Matt Rodrigue presented a law enforcement report and reported the following statistics: there was one felony arrest, three misdemeanors; and 287 citations and tickets. Chief Deputy Rodrigue reported that a deputy was involved in an altercation during the month and deployed his taser.

Chief Deputy Rodrigue and Constable Ryan Gable discussed the need for increasing the personnel under the District's law enforcement contract. After review of the crime statistics and discussion with the District law enforcement liaison, the constable is proposing the addition to the contract of one officer with the rank of corporal. The corporal would supplement patrols but would provide for more flexibility by facilitating more supervisory and investigative work. The corporal's annual salary is approximately \$78,400. The corporal would require a vehicle and related expenses, which are anticipated to be in the range of \$74,226. The corporal would get specialty training. If the District approves a contract, the cost of the corporal's position would be prorated through the end of the year. If the District is interested in proceeding, the constable's office would contact Montgomery County to get them to draft a contract amendment. Lori Aylett noted that the District had not had a new contract in several years, and it might be appropriate to draft a new contract. The constable's office stated that they were certainly amenable to negotiation of a new contract. After discussion, upon motion made by Director Smith, seconded by Director Alli, the Board voted

unanimously to authorize the attorney to work with representatives of Montgomery County regarding a contract amendment to add a corporal's position to the existing contract coverage.

4. Mark Jarratt then approached the Board to discuss proposed dates for swim team activities in the District's parks. The Board reviewed the proposed dates and Mr. Jarratt provided a deposit for the swim team activities. Upon unanimous vote, the Board approved the proposed swim team dates as presented by Mr. Jarratt.

5. The Board discussed general citizen comments. Mr. Nichols asked a question regarding utility line staking that he had observed in the area. Jason Hajduk confirmed that those are part of the SJRA transmission line that is going to connect from the District's plant to the MUD 99 plant.

6. Bill Russell presented a bookkeeper's report, a copy of which is attached. After this meeting, the debt service fund balance will stand at \$3,541,617.47. The capital projects fund will stand at \$91,960.85. The operating fund will stand at \$3,080,028.63. Revenues exceeded expenditures for eight months of the fiscal year by \$375,750.91. 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.

7. The Board considered the tax assessor/collector's contract. The attorney noted that the District must give notice of termination by March 1 of each year to avoid assessment of collection fees. The Board noted that they were happy with the tax assessor's service, and therefore no action was taken.

8. There was presented the attached Resolution Authorizing Challenge to the Appraisal Roll. The attorney noted that the preliminary tax roll comes out in May, and the tax assessor has a limited amount of time to review the roll and challenge any errors or omissions that are found. The tax assessor should be authorized to make such challenges on the District's behalf. Upon unanimous vote, the Board approved the resolution as presented.

9. Mike Williams presented an operator's report. The District billed \$262,805.01 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 3,818 customers, and 3,585 customers received all services including garbage. The sewage treatment plant operated at 71% of capacity with no permit violations. The operator requested write-off of six accounts in the total amount of \$1,212.94, and the Board approved the request.

The engineer requested that the operator consider using Well No. 3 more in the lead position since it is the newer plant. The operator reported that their employees are cross-trained and are therefore periodically required to read meters. The operator's office recently conducted a meter read of the District using all 58 employees.

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

10. Mike Williams presented a parks and recreational facilities report. There were 15 calls regarding issues in the parks. Six calls were for the pavilion, eight calls were for the

ball fields, and one call was for information. The operator reported that with the warmer weather the parks are starting to be used. Upon unanimous vote, the Board approved the parks report as presented.

11. Jason Hajduk presented an engineer's report. The engineer reported that the final pay application to the SJRA was approved and payment to the contractor, McDonald Electric, Inc., has been made in accordance with the District's supplemental agreement with the SJRA.

On the MUD 99 transmission line, a preconstruction meeting will be held on February 10, 2016. The engineer is waiting on TCEQ approval to publish the second required public notice concerning the proposed major amendment to the wastewater treatment plant permit. The amendment will change the copper limitations.

The Texas Commission on Environmental Quality has reviewed the District's request for an increase to the number of connections served under the elevated storage variance. The Commission requested additional information from the engineer, and his office is responding.

The Notice to Proceed on a sanitary sewer rehabilitation work will be issued soon. A preconstruction inspection will be on Wednesday, and television inspection will begin shortly thereafter. The manhole inspection revealed no major defects.

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

12. The Board discussed the submission of the annual report for the MS4 permit. Director Vallery attended the latest Coalition meeting. The Coalition participants were told that the oxygen demand in Spring Creek is very high, and the Coalition may request a permit amendment. The District and the other participants in the Coalition sent out educational mailers and took actions necessary to maintain compliance with the permit. After discussion, upon unanimous vote, the Board approved submission of the annual report as presented.

13. No developer was present, and no developer's report was given.

14. There was presented the attached Order for Election of Directors. Upon unanimous vote, the order was adopted as presented.

15. The Board reviewed the Joint Election Agreement and Election Services Agreement with Montgomery County. The Board noted that it would be economical and appropriate to conduct a joint election with the County and allow them to provide elections services pursuant to the agreement. Upon unanimous vote, the Board approved the Joint Election Agreement and Election Services Agreement as presented.

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



Secretary