

RAYFORD ROAD MUNICIPAL UTILITY DISTRICT
Minutes of Meeting of Board of Directors
April 26, 2016

The Board of Directors ("Board") of Rayford Road Municipal Utility District ("District") met at 27316 Spectrum Way, Oak Ridge, Texas, on Tuesday, April 26, 2016, in accordance with the duly posted notice of the meeting, with a quorum of directors present, as follows:

Jon Vallery, President
Brendon Keith, Secretary
Michael Smith, Assistant Secretary
Paul Alli, Director

and the following absent:

Frank Moore, Vice President.

Also present were Bill Russell, Mike Williams, Jason Hajduk, Jim Nichols, Sergeant David Weis, Michelle Baker, 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 March 14, 2016 were presented for the Board's review and approval. Upon unanimous vote, the minutes were approved as presented.

2. Sergeant David Weis presented a law enforcement report and reported the following statistics: there were 833 contract calls; three District calls; 25 reports taken; two felony arrests, eight misdemeanors; 402 citations and tickets; six crashes; and 11 charges filed.

Sergeant Weis introduced Michelle Baker. Years ago, Ms. Baker had been in the Rayford Road contract but then went into the district office for the constable. Ms. Baker tested for the position of corporal and passed, receiving the highest grade. Ms. Baker will begin serving as corporal in Rayford Road's contract as of June.

Sergeant Weis report that the fence at the wastewater treatment plant was cut, and a group of men were trying to get into the plant site. In the process they set the alarm off and ran away before anything could be taken. The Sergeant also reported that he has noticed that the Havenhouse Water Plant lights have not been on in the evenings. The operator will check.

Upon unanimous vote, the law enforcement report was approved by the Board.

3. There were no citizen comments 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 \$1,762,769.77. The capital projects fund will stand at \$91,935.04. The operating fund will stand at \$3,054,070.59. Revenues

exceeded expenditures for ten months of the fiscal year by \$517,180.26. The bookkeeper then presented the draft budget for the fiscal year ending May 31, 2017 and asked the Board and consultants to review and provide comments before the next meeting. 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 \$233,494.59 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 3,601 customers received all services including garbage. The sewage treatment plant operated at 67% of capacity with no permit violations. The operator requested write-off of five accounts in the total amount of \$263.51, and the Board approved the request. The operator reported that the District received \$297.74 on two stale accounts because the people tried to move back into neighborhoods operated by Municipal Operations and Consulting.

The operator reported that the plant had no issues during the flood, but because it was trash day, lots of garbage bags plugged the inlets and created some drainage issues. The operator reported that the DD 10 channel functioned as designed. There were some power outages, but the operator was able to run the right angle drive for 10 hours and kept the DD 10 pump stations working. The generator at the lift station ran and kept the lift station pumped down.

The generator at the sewage treatment plant failed again during the floods. According to the operator, the generator is undersized for the plant as expanded. The generator needs to have a new control board, but the control board has already been replaced two times at a cost of \$8,000 each time. It continues to fail. The operator will obtain pricing for a second used generator. The engineer will obtain pricing for a new generator. The operator and engineer were not aware of any house flooding. In response to a question from the Board, the operator confirmed that the water plant generator ran for 10 hours on one fuel tank.

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 23 calls regarding issues in the parks. Seven calls were for the pavilion, 15 calls were for the ball fields, and one call was for information. One party was held during the month.

During the month, the operator replaced lights under the pavilion and sealed picnic tables and benches. The SJRA's contractor is working in the easement and has damaged the irrigation system on the ball fields. The operator will take photographs and provide them to the District engineer.

Upon unanimous vote, the Board approved the parks report as presented.

7. The attorney noted that the District was required to review the FTC identity theft red flag program on an annual basis. The District operator presented the annual

report and noted no issues. The attorney recommended that no changes be made to the program. Accordingly, upon motion duly made, seconded and unanimously carried, the Board voted unanimously to adopt the attached Resolution Affirming Identity Theft Prevention Program.

8. Jason Hajduk presented an engineer's report. The Board discussed the continuing break-in attempts along the back side of the sewage treatment plant. The engineer will obtain a cost estimate for installation of a concrete wall on the back side to discourage vandalism and theft.

The SJRA surface water line work is underway. The contractor has installed 2,000 linear feet of pipe.

The engineer discussed the surface water conversion and the need to dedicate easements on the District's water plant sites. The engineer reviewed the water plant sites and the SJRA's requirement for access, water lines, and equipment easements. The Board was concerned with restricting rights to access to the sites wherever possible. The Board requested that the SJRA draw separate metes and bounds descriptions of each easement site.

The operator and engineer reviewed a draft of the major waste discharge permit amendment increasing the copper limitations. They will be responding to the TCEQ on the District's behalf.

The engineer confirmed the District's boundaries and the fact the Richards Road property owners are paying taxes to the District.

The engineer then discussed the April 17 and April 18 rain event. The District had a more than 100-year flood event. The storm sewers in the District are designed for a five-year event per Montgomery County standards. The difference between a five-year event and a 100-year event is caught in the streets. The engineer presented information on sheet flows and flooding. The Board was pleased with the performance of the District's storm sewer system during the event.

Finally, the engineer confirmed that he attended the Rayford Road road widening project kick-off meeting on April 14, 2016 at the Faith United Methodist Church. Several area property owners will be affected by the widening project.

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

9. Lori Aylett briefly reported that the District would need to convey facilities constructed by the San Jacinto River Authority at the District's plant sites. This will be done in conjunction with conveyance of the easements previously discussed by the engineer. She will keep the items on the agenda.

10. There was no developer present and no developer's report was presented.

11. Under pending business, the attorney presented correspondence from Drainage District No. 10 to the Assistant Montgomery County Engineer regarding drainage

approvals in the Woodson's Gully watershed. The Board reviewed the letter and several Board members expressed similar concerns. They asked the attorney to place an item on the agenda for the next meeting to consider sending a similar letter to the engineer.

Director Alli reported that he has installed a new sprinkler system in his home and it may be worth the Board's consideration in making a recommendation to residents about this and similar systems. The Rachio Watering System takes into account weather modeling, and Director Alli has seen a substantial reduction in his water bill since beginning to use the system. Rachio may offer incentives for partnerships with governmental entities and water systems. The Board took the matter under advisement.

Mike Williams requested that the Board place his company's contract on the next agenda, along with amendments to the District's rate order.

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


Secretary