

## RAYFORD ROAD MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors

August 8, 2016

The Board of Directors ("Board") of Rayford Road Municipal Utility District ("District") met at 27316 Spectrum Way, Oak Ridge, Texas, on Monday, August 8, 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 Christie Leighton, Jared Daly, Drew Masterson, Bill Russell, Mike Williams, Corporal Baker, Jim Nichols, Kathryn Nichols, and J. Davis Bonham, Jr.

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 July 11, 2016 were presented for the Board's review and approval. Upon unanimous vote, the minutes were approved as presented.

2. Corporal Baker presented a law enforcement report and reported the following statistics: there were 354 contract calls; 5 District calls; 29 reports taken; 0 felony arrests, 2 misdemeanor arrests; 259 citations and tickets; 6 crashes; and 1 charge filed.

Corporal Baker informed the Board that two unlocked vehicles were burglarized and there have been several recent incidents in which copper backflow preventers were stolen.

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

3. Christie Leighton then presented the quarterly report from Best Trash. The Board discussed the manner in which to dispose of a refrigerator. The Board then discussed a recent incident in which a recycling driver was speeding in the District. Jim and Kathryn Nichols then informed the Board that their trash had not been picked up prior to the meeting and that it appeared that the entire neighborhood had not been collected. The Board requested that Ms. Leighton investigate the matter.

4. There were no citizen comments for the Board's consideration.

5. Bill Russell presented a bookkeeper's report, a copy of which is attached. After this meeting, the debt service fund balance will stand at \$1,763,087.64. The capital projects fund will stand at \$91,921.09. The operating fund will stand at \$2,737,461.43. The bookkeeper

noted payment of June 2015 electricity invoices that were not submitted to the District. The bookkeeper informed the Board that the shortfall was discovered by the auditor for the retail electric provider and that the amounts are due. 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.

6. Mike Williams presented an operator's report. The District billed \$270,144.48 to customers for services rendered. The operator took 10 bacteriological samples, all of which were acceptable. The District accounted for 102% of the water produced. The District served 3,818 customers, and 3,600 customers received all services including garbage. The sewage treatment plant operated at 68% of capacity with no permit violations. The operator informed the Board that recent copper tests have been high. The operator requested write-off of 22 accounts in the total amount of \$1,639.91, and the Board approved the request. The operator then addressed the Board regarding a large number of leaks in the District during the prior month. The operator informed the Board that is working to address them quickly. The operator then discussed a SJRA service line leak that was discovered recently and has been reported. After discussion, upon unanimous vote, the Board approved the operator's report as presented.

7. Mike Williams presented a parks and recreational facilities report. There were 17 calls regarding issues in the parks. Eight calls were for the pavilion, six calls were for the ball fields, and three calls were for information.

The operator inspected the irrigation system on the District's ballfields after the SJRA excavation work was completed and noted several deficiencies. The operator informed the Board that the basketball nets have been replaced. The operator then addressed the Board regarding repairs to baseball and soccer equipment that has been damaged and will need to be replaced.

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

8. Jared Daly presented an engineer's report. On the MUD 99 / MUD 115 water line construction project, the line has been constructed and the contractor is working on rehabilitation items.

On the waste discharge permit major amendment, notice regarding the issuance of the permit was advertised for a second time on June 17, 2016.

The engineer continues to work with the Texas Commission on Environmental Quality regarding the elevated storage tank variance. The engineer informed the Board that he provided additional information during the prior month.

The engineer presented two bids for the installation of a new fence at the wastewater treatment plant. The engineer recommended award to the low bidder, Fencecrete America, with a bid in the amount of \$62,756.00. The engineer provided the attorney with a completed Form 1295 from Fencecrete America, Inc.

The engineer is still looking at the sanitary sewer rehabilitation repairs and is

compiling options. The engineer also plans to inspect the force main manholes while repairs to the Phase 2 of the sanitary sewer rehabilitation project are ongoing.

After discussion, upon unanimous vote, the Board approved the engineer's report as presented and authorized award to Fencecrete America, Inc.

9. There was nothing further to report on the conveyance of facilities to the SJRA. They are currently preparing metes and bounds descriptions of the various easement areas.

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

11. The Board then considered the District's Tax Assessor-Collector Contract with Montgomery County. The Board agreed that no action is necessary at this time.

12. Mr. Masterson then presented a financial advisor's report and 2016 tax rate analysis. He first reported that the District's 2016 projected assessed valuation has increased by more than \$55 million from last year. The financial advisor recommended that the District reduce its debt service rate from \$0.40 to \$0.38, a reduction of \$0.02. The Board reviewed the District's general fund budgetary needs with the bookkeeper who recommended a \$0.15 maintenance and operations tax be levied, for a total tax rate of \$0.53. The Board agreed that it would be appropriate to conduct a public hearing on the proposed tax rate on Monday, September 12, 2016 at 6:30 p.m. Upon unanimous vote, the Board authorized publication of the tax rate calculations with a proposed debt service rate of \$0.38 per \$100 assessed valuation and a maintenance tax of \$0.15 per \$100 assessed valuation.

13. No executive session was necessary.

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



Secretary