

RAYFORD ROAD MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors

October 10, 2016

The Board of Directors ("Board") of Rayford Road Municipal Utility District ("District") met at 27316 Spectrum Way, Oak Ridge, Texas, on October 10, 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
Michael Smith, Assistant Secretary
Paul Alli, Director

and the following absent:

Brendon Keith, Secretary.

Also present were Bill Russell, Mike Williams, Jason Hajduk, Chief Matt Rodrique, Corporal Baker, Sergeant Weis, Constable Ryan Gable, Lieutenant Furches, Clayton Harry, Ms. Weis, James Ridgeway, Jr., 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 12, 2016 were presented for the Board's review and approval. Upon unanimous vote, the minutes were approved as presented.

2. Corporal Baker and Chief Rodrique presented a law enforcement report and reported the following statistics: there were 313 contract calls; one District call; 50 reports taken; four felony arrests, 14 misdemeanor arrests; 249 citations and tickets; and 17 charges filed.

Constable Gable thanked the Board for their support. He reported that the department had 28 people when he took office; now have 50 people. Constable Gable reported that Sergeant Weis has been offered a position performing civil service of process, and Corporal Baker will be moved into the District's contract. If Sergeant Weis accepts the position, the car stipend will follow him to his new position. A new car will have to be purchased for the deputy who moves into the District's contract. Therefore, the purchase of a new car will cost approximately \$45,754.96 up to \$50,000; \$35,125 for the vehicle and equipment costs of \$10,629.96.

Sergeant Weis then introduced Lieutenant Furches. The Board thanked Sergeant Weis for his years of service to the District and wished him well in his future endeavors. The Board also authorized the purchase of another vehicle at a cost not to exceed \$50,000.

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

3. Under customer comments, Mr. James Ridgeway, Jr. addressed the Board. He stated that he recently moved to the area and has no complaints to express. He did note that there was a purple pipe (reclaimed water) system going into a neighboring district, and he was curious if the District had tried to take advantage of the system. The Board noted that it would be extremely expensive to retrofit the District's existing plant and lines and obtain the necessary permits. In response to a question from Mr. Ridgeway, the Board noted that the District does not currently offer winter averaging on its water or sewer rates. Mr. Ridgeway confirmed that he was broadcasting the Board meeting on Facebook Live.

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 \$1,404,254.09. The capital projects fund will stand at \$91,941.38. The operating fund will stand at \$2,700,815.92. Expenses exceeded revenues for four months of the fiscal year by \$313,777.78. 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 \$409,154.75 to customers for services rendered. The operator took 10 bacteriological samples, all of which were acceptable. The District accounted for 100% of the water produced. The District served 3,818 customers, and 3,598 customers received all services including garbage. The sewage treatment plant operated at 69% of capacity with no permit violations. The operator requested write-off of two accounts in the total amount of \$374.89, and the Board approved the request. 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 20 calls regarding issues in the parks. Five calls were for the pavilion, 14 calls were for the ball fields, and one call was received this month for information. The operator reported that the SJRA has fixed the problems with the broken irrigation systems at the ballfields. Upon unanimous vote, the Board approved the parks report as presented.

7. The Board discussed the District's rates and charges. In particular, the Board was interested in discussing the surcharge assessed to the SJRA surface water rate. The District has been receiving surface water for some months now and it may be appropriate to look at adjustment of the surcharge rate. After discussion and review, the Board agreed to take no action at this time. The Board asked the attorney to place an item on the April, 2017 agenda for the Board to review the rate order again at that time.

8. Jason Hajduk presented an engineer's report. On the MUD 99 / MUD 115 surface water conversion project, construction is complete and plant facilities should be completed in the next month. The engineer asked the operator to notify him if any other problems related to the construction were discovered.

The engineer continues to work with the Texas Commission on Environmental Quality regarding the elevated storage tank variance.

The engineer confirmed that a preconstruction meeting on the wastewater treatment plant fence project was held on September 23, 2016 and construction is expected to begin in the next couple of weeks.

The fence contractor will keep the plant secured at all times.

The engineer does not have any capital projects in mind for the Board until 2017. The sanitary sewer rehabilitation project is 99% complete. The engineer should have cost estimates available at the next meeting.

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

9. The engineer had heard nothing further from the SJRA on the conveyance of facilities.

10. The attorney confirmed that she did not receive any correspondence from the developer to relay to the District.

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

Ass't 
Secretary