

MINUTES

ACTON MUNICIPAL UTILITY DISTRICT

The Board of Directors of Acton Municipal Utility District met in regular session at 9:00 a.m., Wednesday, February 21, 2024. Notice of said meeting was posted as prescribed by Chapter 54, Article 109, of the Texas Water Code.

Regular Session

February 21, 2024

Directors Present

R. Lewis
D. Cleveland
J. Featherston
G. Rose
V. Vernon

Staff Present

R. English
C. Neal
R. Evert
T. Riggio

Visitors

C. Hay, P.E.,
Enprotec/Hibbs & Todd
L. Dougal, Jackson Walker,
via conference call
S. Leibe, Norton Rose
Fulbright, via conference
call

Directors Absent

None

Call to Order

Ray Lewis, Board President, called the meeting to order at 9:00 a.m.

Invocation

By John Featherston.

A. After discussion, a motion was made to accept the minutes from the Regular Meeting January 17, 2024 and Special Meeting February 14, 2024.

Motion: Rose
Second: Cleveland
Vote: All ayes

B. Open Forum. No one signed in for open forum.

C. Executive Session – The Board entered into closed executive session at 9:03 a.m. pursuant to Gov. Code 551.071 (Consultation with Attorney) to discuss the following:
1. Cause No. DS-C202100480; Johnson County Special Utility District v. Acton Municipal Utility District, including pending proposals, mediation, settlement terms, and litigation.

Executive session adjourned at 9:28 a.m. and returned to open session at 9:28 a.m.

D. No action taken on executive session item.

E. Richard English presented the annexation of 15.391 acres situated in parts of the M. Harris Survey, Abstract No. A-238 and the S.M. Herron Survey, Abstract No. A-687,

located in Hood County Texas, known as Pirate Village, second reading. He reported we have everything we need except for the City of Granbury consent since a portion of the property is located in their ETJ. Staff recommends approval contingent upon receipt of the City's consent.

After discussion, a motion was made to annex 15.391 acres in parts of the M. Harris Survey, Abstract No. A-238, and the S.M. Herron Survey, Abstract No. A-687, located in Hood County, Texas, known as Pirate Village Subdivision into the Acton Municipal Utility District, contingent upon receipt of consent from the City of Granbury. (RESOL 24-02-415).

Motion: Featherston
Second: Cleveland
Vote: All ayes

F. The Engineer's Report was presented by Chris Hay, P.E. of Enprotec/Hibbs & Todd (eHT). He reported on the following:

- WWTP #1 Improvements – The plant is fully operational, there is only one item remaining on the punch list related to SCADA (final SCADA programming adjustments, SCADA alarm troubleshooting). Retainage is still being held. The last Construction Status Meeting (CSM) #30 was held June 15th; the next CSM is to be determined pending contractor progress.
- WWTP #2 Improvements – Construction moving forward. Bar Constructors, Inc. (BAR) continued installing equipment in the SBR Building, Dewatering Building, and Chlorine Building in February and continued work on the new influent lift station required to transfer influent wastewater to the new SBR system. Bar continuing work on site civil construction around the rest of the plant for retaining walls, dirt work, and other miscellaneous items. eHT and BAR held a startup preparation meeting on January 23rd with TraC-n-trol to verify tasks, timing, and critical milestones to prepare for startup of the new SBR system over the next several months. The next startup coordination meeting is planned for the 3rd week of February. CSM #13 was held January 16th, the February CSM was held February 20th.
- Lift Station 11 Improvements – Bid opening was February 14, 2023; no bids were submitted; eHT is standing by to re-advertise the project at a time to be determined later.
- Pecan Plantation Elevated Storage Tank Improvements – The project was awarded to Phoenix Fabricators & Erectors, LLC in the amount of \$3,340,440.00 at the December 2023 Board Meeting. Contracts have been fully executed and a preconstruction conference was held February 20th in which Notice to Proceed was issued. We should be receiving their schedule soon; the project should be complete early 2025.
- Greenleaves Low Pressure Sewer System Improvements – The project was awarded to Day Services, LLC at the May Board Meeting. The Contractor has installed everything and completed and approved pressure testing. Currently working on final punch list items.

- Acton Loop Water Line Extension Improvements – Surveyors have completed most of the design survey in the right-of-way areas. The preliminary alignment requires approximately 4 easements to be acquired. A right of entry agreement has been granted for all four parcels, eHT completed the field surveying for them and are in the process of finalizing the easement exhibits and proceeding forward with design. eHT has been in coordination with 3 of the 4 landowners; 2 of the landowners are amenable to the easement location and waiting on final feedback from the 3rd landowner; the 4th landowner has not been agreeable to grant the easement. Working on a cost analysis for other possible options and to possibly move the route. Once easement documents are executed and plans and specifications are completed, eHT can move forward with advertisement for bids.

General Services Task

1. TWDB Reports

- a) 2023 Water Use Survey – eHT has begun coordination with Staff to prepare this report due to the TWDB by 3/1/2024.
- b) 2023 Water Loss Audit – eHT has begun coordination with Staff to prepare this report due to the TWDB by 5/1/2024.
- c) 2023 Water Conservation Plan Annual Report – eHT has begun coordination with Staff to prepare this report due to the TWDB by 5/1/2024.

After discussion, a motion was made to accept the Engineers Report.

Motion: Vernon
Second: Featherston
Vote: All ayes

G. The Operational Report was presented by T J Riggio. He briefed the Board on several items; Greenleaves Sewer Project, we are beginning to accept applications and payments for sewer service; pipebursting complete on Circo in DCBE, there were no significant issues during construction; a sewer line was installed from Orchard 15 to 6800 Block of Westover.

Under wastewater, T. Riggio reported WWTP No. 1, the contractors have moved out, there are only a few punch list items remaining, waiting on warranty determinations for mixers and non-potable pumps; WWTP No. 2, construction is well underway. The contact basin No. 3 was taken down for demolition which created some issues, does not appear to have significantly affected the permit parameters, we are awaiting lab results. T. Riggio reported WWTP No. 1 was at 86% of the average permitted flow for the month of January, under the future 930K permit this would be 56%. WWTP No. 2 is at 59% of the average permitted flow, under the future 820K permit this would be 35%. Both WWTP's met all discharge permit parameters for the month of January.

T. Riggio informed Board he received the TCEQ 2023 Inspection of WWTP No. 1 Findings Report. We received 4 violations; Failure to provide notification for any effluent violation that deviates from the permitted effluent limitation by more than 40%, SSO violation, Failure to maintain collection system, and failed to calibrate the flow device at least annually to ensure accuracy. T. Riggio gave a brief summary of each violation and stated all violations have been resolved.

T. Riggio reported unaccounted water for the month of January is 26.66%. He reported the water production and sales for the month and year to date. He reported there were no positive bacteriological samples for the month of January. T. Riggio reported we have experienced a number of outages during the month due to telecommunication contractors drilling through our lines, also a number of outages due to irrigation installation in Pecan Plantation. He reported we are working with TraC-n-trol on controls at Booster Station 4 to help with the pumping schedule this summer and on the radio remote readings of BRPUA's finished tank levels.

T. Riggio reported Well No. 14 has been turned off since June 22nd due to the tank coming apart at the seams, the repairs are now complete, it ran well but then the chlorine jockey pump went out, waiting on new parts/new pump; Well No. 21, the booster pump went out, waiting on parts; Well No. 23, the well pump had gone to ground and needed replacement, the well is operational but waiting to run the well until the new year due to State compliance sampling schedule reasons. We attempted to operate the well this month however it did not produce enough output to pump against the distribution system head, the new pump was matched with the old pump but it appears we need a new larger pump; Well No. 26 has been off due to low demand, the demand is enough now but due to the electricity demand of heaters in the winter, we lose a leg of power when we try to operate the well; Well No. 29, the booster pump is down, waiting on parts.

T. Riggio reported we will be losing one employee this month; he is leaving to work at Comanche Peak. He reported on the UCMR 5 Reports, the EPA is requiring we test for Lithium and PFAS in the water; no PFAS were found; small amounts of Lithium were found.

After discussion, a motion was made to accept the Operational Report for January, 2024.

Motion: Featherston
Second: Vernon
Vote: All ayes

H. Bob Evart presented a request for Board consideration to write off the net uncollectible accounts in the amount of \$272.46 for the month of January, 2024. Year to date write off rate of revenue is 0.08%.

After discussion, a motion was made to write off the net uncollectible accounts in the amount of \$272.46 for the month of January, 2024.

Motion: Featherston
Second: Cleveland
Vote: All ayes

- I. Bob Evart presented the Financial Report for January, 2024. He reviewed the revenues and changes for overall water and sewer, water revenues from customers, wholesale water, sewer revenues from customers, other sewer revenues and impact fees. He reported expenditure totals for all departments for the month and reported the totals for revenues and expenditures are all within budget.

After discussion, a motion was made to accept the Financial Report for January, 2024.

Motion: Cleveland
Second: Rose
Vote: All ayes

- J. The General Manager's Report was presented by Richard English. He reported on the following items:
 1. The Regular Meeting for March is scheduled for 9:00 a.m., Wednesday, March 20, 2024. Committee meetings are scheduled for Thursday, March 14th.
 2. Semi-Annual Impact Fee Advisory Committee Meeting – Thursday, February 29th at 3:00 p.m.
 3. Texas Water 2024 Conference – April 9 – 12 at the Fort Worth Convention Center. D. Cleveland and J. Featherston plan to attend, the deadline for early bird sign up is March 18th.
 4. Meter Change Outs – T J Riggio used one employee for a few days strictly for changing out meters in an attempt to get a good estimate of what the cost would be to hire an additional crew 'in house' for changing meters; the estimated cost is \$50.00 per installation.
 5. Articles – "Water + Weather for January 2024 posted from the Texas Water Development Board; "EPA Proposes Prohibiting Water Utilities From Describing Their Drinking Water as "Safe"" from Journal.

Open Items:

- a) SWATS Plant Update – Presented water quality reports; source, raw and finished water for the month of January, 2024 and the beginning of February 2024. Chloride levels are holding steady.

After discussion, a motion was made to accept the Managers Report.

Motion: Vernon
Second: Cleveland
Vote: All ayes

K. Items from Board Members:

Rose:
None

Cleveland:
1. Stated a friend of his and also one of our AMUD customers was very complimentary of AMUD; AMUD Crews discovered a leak underneath the customer's foundation and then notified the customer.

Featherston:
None

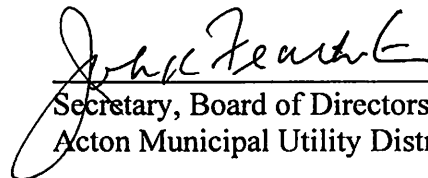
Vernon:
None

Lewis:
1. With regard to the \$300,000 check we paid to Pecan Plantation (PP) for possible road damages that could occur during construction of the expansion project at WWTP No. 2, R. Lewis request an audit be done listing damages, if any, to the roads in the area contractors were driving or working and document for our files.

Adjournment

A motion was made to adjourn at 10:41 a.m.

Motion: Vernon
Second: Rose
Vote: All ayes


Secretary, Board of Directors
Acton Municipal Utility District