

MINUTES

ACTON MUNICIPAL UTILITY DISTRICT

The Board of Directors of Acton Municipal Utility District met in regular session at 9:00 a.m., Wednesday, November 16, 2022. Notice of said meeting was posted as prescribed by Chapter 54, Article 109, of the Texas Water Code.

Regular Session

November 16, 2022

Directors Present

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

Staff Present

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

Visitors

A. Head, Jackson Walker,
via conference call
C. Hay, P.E.,
Enprotec/Hibbs & Todd

Directors Absent

None

Call to Order

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

Invocation

By Ray Lewis.

- A. After discussion, a motion was made to accept the minutes from the Regular Meeting October 19, 2022.

Motion: Cleveland
Second: Vernon
Vote: All ayes

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

- C. Executive Session – The Board entered into closed executive session at 9:02 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.
 2. Any other matters.

Executive session adjourned at 10:13 a.m. and returned to open session.

- D. No action taken on executive session items.

- E. Richard English presented a memorandum dated November 10, 2022 with regard to the Pecan Elevated Tank Cost Participation. As stated in the memo, to accommodate

the anticipated growth in Pecan Plantation, a second tank is needed. The overall estimated cost for a 500,000-gallon tank is \$4 million. Staff is requesting participation from the Anthony Group to assist with the tank construction cost.

Under the original Settlement Agreement and Release dated November 7, 2000, Section II, 2.07 (attached), AMUD has been remitting a portion of the water and sewer tap fees to the Anthony's. By way of participating in the construction of the new elevated tank, the Anthony Group has agreed to waive future reimbursements of tap fees, as well as to provide up to a 1-acre site for the tank. R. English presented a draft addendum to the Settlement Agreement and Release provided by the Anthony Group; Leonard Dougal is in the process of reformatting terms of the addendum into the form of a First Amendment to the Settlement Agreement and Release.

After discussion, a motion was made to approve the terms of the amendment and authorize the General Manager to finalize the terms of the Amendment, and to finalize the land deal on the tank site.

Motion: Rose
Second: Cleveland
Vote: All ayes

- F. Richard English presented the annexation of 64.157 acres situated within George T. Water Survey, Abstract No. 594, John Higgins Survey, Abstract No. 239, and N. Dotson Survey, Abstract No. 60, located in Hood County Texas, known as South Bend Addition, second reading.

After discussion, a motion was made to annex 64.157 acres situated within George T. Water Survey, Abstract No. 594, John Higgins Survey, Abstract No. 239, and N. Dotson Survey, Abstract No. 60, located in Hood County, Texas, known as South Bend Addition into the Acton Municipal Utility District. (RESOL 22-11-369)

Motion: Cleveland
Second: Vernon
Vote: All ayes

- G. Richard English presented the annexation of 1.491 acres situated within George T. Water Survey, Abstract No. 594, John Higgins Survey, Abstract No. 239, and N. Dotson Survey, Abstract No. 60, located in Hood County Texas, known as 4013 Southern Rise Court, second reading.

After discussion, a motion was made to annex 1.491 acres situated within George T. Water Survey, Abstract No. 594, John Higgins Survey, Abstract No. 239, and

N. Dotson Survey, Abstract No. 60, located in Hood County, Texas, known as 4013 Southern Rise Court into the Acton Municipal Utility District. (RESOL 22-11-370)

Motion: Cleveland
Second: Vernon
Vote: All ayes

- H. Richard English presented the annexation of 3.472 acres situated within George T. Water Survey, Abstract No. 594, John Higgins Survey, Abstract No. 239, and N. Dotson Survey, Abstract No. 60, located in Hood County Texas, known as 4001 Southern Rise Court and 4005 Southern Rise Court, second reading.

After discussion, a motion was made to annex 3.472 acres situated within George T. Water Survey, Abstract No. 594, John Higgins Survey, Abstract No. 239, and N. Dotson Survey, Abstract No. 60, located in Hood County, Texas, known as 4001 Southern Rise Court and 4005 Southern Rise Court into the Acton Municipal Utility District. (RESOL 22-11-371)

Motion: Vernon
Second: Cleveland
Vote: All ayes

- I. Richard English presented the annexation of 3.689 acres situated within George T. Water Survey, Abstract No. 594, John Higgins Survey, Abstract No. 239, and N. Dotson Survey, Abstract No. 60, located in Hood County Texas, known as 3031 Southern Rise Court and 3035 Southern Rise Court, second reading.

After discussion, a motion was made to annex 3.689 acres situated within George T. Water Survey, Abstract No. 594, John Higgins Survey, Abstract No. 239, and N. Dotson Survey, Abstract No. 60, located in Hood County, Texas, known as 3031 Southern Rise Court and 3035 Southern Rise Court into the Acton Municipal Utility District. (RESOL 22-11-372)

Motion: Vernon
Second: Cleveland
Vote: All ayes

- J. Richard English presented the annexation of 3.523 acres situated within George T. Water Survey, Abstract No. 594, John Higgins Survey, Abstract No. 239, and N. Dotson Survey, Abstract No. 60, located in Hood County Texas, known as 3023 Southern Rise Court and 3027 Southern Rise Court, second reading.

After discussion, a motion was made to annex 3.523 acres situated within George T. Water Survey, Abstract No. 594, John Higgins Survey, Abstract No. 239, and N. Dotson Survey, Abstract No. 60, located in Hood County, Texas, known as 3023

Southern Rise Court and 3027 Southern Rise Court into the Acton Municipal Utility District. (RESOL 22-11-373)

Motion: Cleveland
Second: Featherston
Vote: All ayes

K. Richard English presented the annexation of 1.034 acres situated within George T. Water Survey, Abstract No. 594, John Higgins Survey, Abstract No. 239, and N. Dotson Survey, Abstract No. 60, located in Hood County Texas, known as 3019 Southern Rise Court, second reading.

After discussion, a motion was made to annex 1.034 acres situated within George T. Water Survey, Abstract No. 594, John Higgins Survey, Abstract No. 239, and N. Dotson Survey, Abstract No. 60, located in Hood County, Texas, known as 3019 Southern Rise Court into the Acton Municipal Utility District. (RESOL 22-11-374)

Motion: Vernon
Second: Cleveland
Vote: All ayes

L. Richard English presented the annexation of 1.776 acres situated within George T. Water Survey, Abstract No. 594, John Higgins Survey, Abstract No. 239, and N. Dotson Survey, Abstract No. 60, located in Hood County Texas, known as 3017 Southern Rise Court, second reading.

After discussion, a motion was made to annex 1.776 acres situated within George T. Water Survey, Abstract No. 594, John Higgins Survey, Abstract No. 239, and N. Dotson Survey, Abstract No. 60, located in Hood County, Texas, known as 3017 Southern Rise Court into the Acton Municipal Utility District. (RESOL 22-11-375)

Motion: Featherston
Second: Cleveland
Vote: All ayes

M. Richard English presented the annexation of 9.897 acres, a replat of Tract A, Port Ridglea, located in Hood County, Texas, known as The Tradition at Port Ridglea, second reading.

After discussion, a motion was made to annex 9.897 acres, a replat of Tract A, Port Ridglea, located in Hood County, Texas, and known as The Tradition at Port Ridglea into the Acton Municipal Utility District. (RESOL 22-11-376)

Motion: Cleveland
Second: Featherston
Vote: All ayes

- N. Richard English presented the annexation of 0.543 acres, a replat of Tract A, Port Ridglea, located in Hood County, Texas, known as 3700 Winding Way – Lot A-R5, second reading.

After discussion, a motion was made to annex 0.543 acres, a replat of Tract A, Port Ridglea, located in Hood County, Texas, and known as 3700 Winding Way – Lot A-R5 into the Acton Municipal Utility District. (RESOL 22-11-377)

Motion: Cleveland
Second: Vernon
Vote: All ayes

- O. Richard English presented the annexation of 0.591 acres, a replat of Tract A, Port Ridglea, located in Hood County, Texas, known as 3700 Winding Way – Lot A-R7, second reading.

After discussion, a motion was made to annex 0.591 acres, a replat of Tract A, Port Ridglea, located in Hood County, Texas, and known as 3700 Winding Way – Lot A-R7 into the Acton Municipal Utility District. (RESOL 22-11-378)

Motion: Featherston
Second: Vernon
Vote: All ayes

- P. Richard English presented the annexation of 0.661 acres, a replat of Tract A, Port Ridglea, located in Hood County, Texas, known as 3700 Winding Way – Lot A-R8, second reading.

After discussion, a motion was made to annex 0.661 acres, a replat of Tract A, Port Ridglea, located in Hood County, Texas, and known as 3700 Winding Way – Lot A-R8 into the Acton Municipal Utility District. (RESOL 22-11-379)

Motion: Vernon
Second: Cleveland
Vote: All ayes

- Q. Richard English presented the annexation of 0.727 acres, a replat of Tract A, Port Ridglea, located in Hood County, Texas, known as 3700 Winding Way – Lot A-R9, second reading.

After discussion, a motion was made to annex 0.727 acres, a replat of Tract A, Port Ridglea, located in Hood County, Texas, and known as 3700 Winding Way – Lot A-R9 into the Acton Municipal Utility District. (RESOL 22-11-380)

Motion: Featherston
Second: Cleveland
Vote: All ayes

- R. Richard English presented the annexation of 1.00 acre in part of the John W. Frogg Survey, Abstract No. 648, located in Hood County, Texas, known as 6110 Contrary Creek, second reading.

After discussion, a motion was made to annex 1.00 acre in part of the John W. Frogg Survey, Abstract No. 648, located in Hood County, Texas and known as 6110 Contrary Creek into the Acton Municipal Utility District. (RESOL 22-11-381)

Motion: Cleveland
Second: Vernon
Vote: All ayes

- S. Richard English presented a memorandum dated November 3, 2022 from Lee Overstreet, Chairman of the Impact Fee Advisory Committee regarding the Committee's review of water and wastewater impact fees. The Committee recommends approval of the updates to the Land Use Assumptions and Capital Improvements Plan and, on the basis of the engineering estimate that project costs have increased approximately 40% since the last impact fee amendment, the Committee recommends Board consideration to amend water impact fees to \$4,900 per equivalent meter unit and to amend the sewer impact fees to \$4,900 per equivalent unit.

Chris Hay, P.E. of Enprotec/Hibbs & Todd (eHT) discussed changes to the Land Use Assumptions and updated costs for projects. R. English plans to have Allen Mullins available to answer any questions regarding the methodology for calculating impact fees at the December meeting.

After discussion, a motion was made to receive the report.

Motion: Featherston
Second: Rose
Vote: All ayes

- T. Richard English presented a resolution to establish a Public Hearing date to consider the amendment of Land Use Assumptions and Capital Improvements Plan and the imposition of impact fees for the District.

After discussion, a motion was made to approve the resolution establishing a Public Hearing date December 21, 2022 at 9:00 a.m. to consider the amendment of Land Use Assumptions and Capital Improvements Plan and the imposition of impact fees for Acton Municipal Utility District. (RESOL 22-11-382)

Motion: Vernon
Second: Featherston
Vote: All ayes

U. The Engineer's Report was presented by Chris Hay, P.E. of eHT. He reported on the following:

- WWTP #1 Improvements – The Control Building and the SBR Support Building were finished out in October. Seeding of the SBR basins will take approximately 2 to 3 weeks, followed by initial performance testing of the SBR units. Still anticipating several delivery delays of components for the new plant SCADA system, specifically the interface panel for the SCADA PLC and a communications module to allow communications between the SCADA PLC and the plant SCADA control computer in the new control room. Construction Status Meeting (CSM) #22 was held October 20th; the next CSM is anticipated for November 17th.
- WWTP #2 Improvements – Bar began mobilizing at the WWTP site mid-June and are continuing site clearing, rock excavation, concrete structure formwork and concrete slab pours for the new SBR structure and submittal/RFI development through October with SBR structural work to continue through the rest of this year. No road issues this month with PPOA. The CSM #3 was held October 18th; the next CSM occurred on November 15th.
- Lift Station 11 Improvements – Received TCEQ approval for construction in response to the summary transmittal letter. eHT preparing to issue bid documents for advertisement; eHT suggests having the advertisement for bids after the new year to maximize bidder participation and avoid conflict with the holidays.
- Hood County CDBG First Time Sewer Service Project in Port Ridglea East – eHT has been in coordination with the grant consultant who is working with TDA to obtain a time extension for the project due to the re-bid process.
- Greenleaves Low Pressure Sewer System Improvements – eHT continuing with design modifications and preparation of final plans and specifications for the project.
- Pecan Plantation Elevated Storage Tank Improvements – eHT met onsite with Staff and Ben Anthony November 8th to discuss the elevated storage tank location. The agreed upon site will be approximately 250' x 150' that incorporates the existing Well 26 site off Monticello Drive. eHT is waiting on the survey to be prepared by the Pecan Plantation Developer's Engineer/Surveyor. Once survey obtained, eHT can begin preparation of plans for submittal to TCEQ.

General Services Tasks

1. Continuing to work with staff and Allen Mullins to finalize the CIP and assist with impact fee related work.

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

Motion: Vernon
Second: Cleveland
Vote: All ayes

- V. The Operational Report was presented by T J Riggio. He informed the Board there are six (6) field positions open, 2 of these should be filled after the holidays. Under water, T. Riggio reported the leak detection for Acton/DCBE is complete, 68 leaks were found; the PRV at Monticello is complete; received CDMA endpoint replacements for remote meters, waiting on splice kits; and reported 2 customers received a credit due to a meter defect. T. Riggio reported all disinfectant residuals were satisfactory for the month of October; we had a positive bacteriological sample at 5413 Garden Circle, he also reported we are losing a site for sampling. T. Riggio reported Well No's. 1 and 2 are running at low capacity, waiting on transducer; Well No. 11 is off, waiting on a pump; Well No. 25 is off due to a leak on the tank; Well No. 26, waiting on replacing the starter, Well No. 28 has problems with the disinfection system.

Under sewer, T. Riggio reported both wastewater treatment plants are within the permit parameters. He informed the Board of a Notice of Enforcement from TCEQ for ammonia exceedance. He reported operations of the new WWTP No. 1 will begin this week.

After discussion, a motion was made to accept the Operational Report for October, 2022.

Motion: Featherston
Second: Vernon
Vote: All ayes

- W. Bob Evert presented a memorandum regarding the purchase of a 3/4-ton truck and a one-ton truck. We have on tract a 3/4-ton truck at Bruner's Chevrolet and should be delivered within a couple of weeks, the 1-ton should be ready for delivery sometime around January - February; the market is very tight and difficult to order. If the 1-ton truck is cancelled, we should be able to order another 3/4-ton truck. There is \$125,000 budgeted for trucks in the FY 2023 budget.

After discussion, a motion was made to authorize the purchase of vehicles up to the budgeted amount.

Motion: Cleveland
Second: Vernon
Vote: All ayes

- X. Bob Evart presented proposed options for medical insurance. Carla Daugherty of Higginbotham & Associates met with Staff and the Finance Committee on November 10th to discuss the health insurance renewal. Renewal of the current plan is a decrease of 1.8%. Consensus of the Finance Committee and Staff is renewal of the current plan, Blue Cross P621CHC-PPO Plan for calendar year 2023.

After discussion, a motion was made to accept renewal of the Blue Cross P621CHC-PPO Plan for calendar year 2023.

Motion: Vernon
Second: Featherston
Vote: All ayes

- Y. Bob Evart presented the AMUD Investment Policy for review and approval. The State Legislature did not meet this year, therefore there are no changes.

After discussion, a motion was made to adopt the resolution acknowledging the Board of Directors reviewed and approved the AMUD Investment Policy.
(RESOL 22-11-383)

Motion: Rose
Second: Vernon
Vote: All ayes

- Z. Bob Evart presented a request for Board consideration to write off the net uncollectible accounts in the amount of \$3,876.86 for the month of October, 2022. Notes on two accounts, one account was on a payment contract and moved without paying the remainder due on the contract, the other is a landlord account and they will be required to pay the amount due before getting service again.

After discussion, a motion was made to write off the net uncollectible accounts in the amount of \$3,876.86 for the month of October, 2022.

Motion: Featherston
Second: Cleveland
Vote: All ayes

- AA. Bob Evart presented the Financial Report for October 2022. 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. The jump in the water and sewer revenues are due to an issue using both Incode software and Logics software for the General Ledger; the whole package of Logics is not fully installed but should be going live in December and hopefully will resolve issues. Expenditure totals for all departments for the month and the totals for revenues and expenditures were also reviewed and discussed. B. Evert reported changes on the balance sheet and items of interest.

After discussion, a motion was made to accept the Financial Report for October, 2022.

Motion: Cleveland
Second: Vernon
Vote: All ayes

BB. The General Manager's Report was presented by Richard English. He reported on the following items:

1. The Regular Meeting for December is scheduled for 9:00 a.m., Wednesday, December 21, 2022. Committee meetings are scheduled Thursday, December 15th.
2. Monthly meeting of the Brazos Regional Public Utility Agency – Scheduled Wednesday, November 30th at the AMUD Office.
3. AMUD office closed Thursday, November 24th and Friday, November 25th for Thanksgiving.
4. Articles – “To save water in Texas, these nonprofits are paying farmers to leave it in reservoirs” from The Texas Tribune, “Drones Deliver Safety, Efficiency” from Opflow, and “Water + Weather for October 2022, U.S. Drought Monitor” from Texas Water Development Board.

Open Items –

- a) SWATS Plant Update – Presented water quality reports; source, raw and finished water for the month of October, 2022. Chloride levels are staying reasonably low.
- b) Port Ridglea East – CDBG First Time Sewer Service Project. Discussed under Engineer's Report.

Wished everyone a Happy Thanksgiving.

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

Motion: Featherston
Second: Vernon
Vote: All ayes

CC. Items from Board Members:

Rose:

1. Informed Board he drove down Gee Road where the new South Bend Addition Development is going in and there are already concrete drives, and the lots are already laid out.

Cleveland:

None

Featherston:

None

Vernon:

None

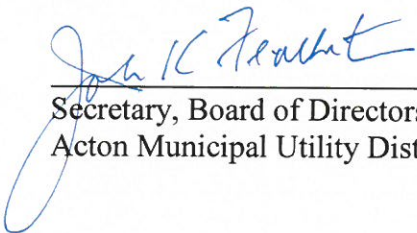
Lewis:

None

Adjournment

A motion was made to adjourn at 11:40 a.m.

Motion: Vernon
Second: Rose
Vote: All ayes



Secretary, Board of Directors
Acton Municipal Utility District