

MINUTES

ACTON MUNICIPAL UTILITY DISTRICT

The Board of Directors of Acton Municipal Utility District met in regular session at 9:00 a.m., Wednesday, May 17, 2023. Notice of said meeting was posted as prescribed by Chapter 54, Article 109, of the Texas Water Code.

Regular Session

May 17, 2023

Directors Present

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

Staff Present

R. English
C. Neal
R. Evart
T. Riggio

Visitors

C. Hay, P.E.,
Enprotec/Hibbs & Todd
C. Pearson, Intern with
Enprotec/Hibbs & Todd
J. Berryhill, P.E.,
Enprotec/Hibbs & Todd
K. Kindle, P. E.,
Enprotec/Hibbs & Todd
M. Leatherwood
A. Head, Jackson Walker,
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 Van Vernon.

- A. After discussion, a motion was made to accept the minutes from the Regular Meeting April 19, 2023.

Motion: Featherston
Second: Cleveland
Vote: All ayes

- B. Agenda Item – Request from Misty Leatherwood to address the Board regarding the increase in impact fees.

Misty Leatherwood thanked the Board for their time and attention. M. Leatherwood informed the Board she purchased three lots in Pecan Plantation November, 2022 and stated the sales contract she received listed AMUD Impact Fees as \$3,500.00. She was unaware that the impact fees were going to increase; she did not receive any notification and believed that AMUD should have sent notice to their clients. She understood AMUD had a list of builders and realtors that were sent a letter informing them of the increase, however her name was not on the list, she is an agent and a

builder. M. Leatherwood complained there was no notification listed on the AMUD website. She also understood that the Patten Group sent an email blast to inform people they had sold lots to that the impact fees for AMUD were going up. This email went to her spam folder. She feels there is a breakdown of communication and requested a variance to extend to her the opportunity to pay the lesser fee for impact fees given that she had not been notified.

R. English stated the issue with an extension is that this would set a precedence. Letters were sent to builders and realtors on January 5th informing them of the increase and that the fees would be increased to \$4,900 April 1st. The letter also stated, "if you have recently sold lots to individuals who may be planning to build in the near future, we encourage you to pass this information on to the new owners." Also, on AMUD's website under the Notices tab, a notice of a Public Hearing on amendment of impact fees is listed, as well as publications in the Hood and Johnson County Newspapers. We have no way of knowing who the new owners are until they come in to start service. G. Rose questioned M. Leatherwood if she had built in Granbury before; M. Leatherwood informed the Board approximately 10 years ago.

The Board sympathizes with M. Leatherwood's situation. Allowing a variance for her would set a precedence that we would not be able to overcome. The impact fee allows for growth and AMUD's impact fees are very low in comparison with other utilities in Texas. AMUD is a water and wastewater provider, it is not AMUD's responsibility to keep up with real estate transactions. There is no way for us to know the format of how the Patten Group sends out email blast and that it would end up going to spam on her computer. Although they can sympathize, there is nothing the Board can do to help in this situation. Misty Leatherwood thanked the Board for their time.

- C. Open Forum. No one signed in for open forum.
- D. Cynthia Neal, Notary Public for the State of Texas administered the Statement of Elected Officer and the Oath of Office to Ray Lewis and Gary Rose.
- E. Elect Officers.

After discussion, a motion was made for the slate of officers to remain as they currently exist:

Ray Lewis, President
Don Cleveland, Vice President
John Featherston, Secretary
Gary Rose, Treasurer
Van Vernon, Assistant Secretary/Treasurer

Motion: Cleveland
Second: Rose
Vote: All ayes

F. After discussion, a motion was made to keep the structure of the Committee assignments as they currently set. G. Rose and V. Vernon on the Finance Committee and D. Cleveland and J. Featherston on the Operational Committee.

Motion: Featherston
Second: Vernon
Vote: All ayes

G. Executive Session – The Board entered into closed executive session at 9:30 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 10:37 a.m. and returned to open session at 10:40 a.m.

H. After discussion, a motion was made to approve the Memorandum of Understanding (MOU) terms dated May 12, 2023 and direct the General Manager and Attorney to move forward with development of a settlement agreement.

Motion: Cleveland
Second: Featherston
Vote: All ayes

I. Richard English presented the annexation of 1.394 acres situated in the James W. Moore Survey, Abstract No. 344, located in Hood County Texas, East Lake Phase 1, Pecan Plantation, known as 8409 Landings Road West, second reading. All documentation has been received; Staff recommends approval.

After discussion, a motion was made to annex 1.394 acres situated in the James W. Moore Survey, Abstract No. 344, located in Hood County, Texas, East Lake, Phase 1, Pecan Plantation, known as 8409 Landings Road West into the Acton Municipal Utility District. (RESOL 23-05-392)

Motion: Rose
Second: Cleveland
Vote: All ayes

J. Richard English presented the annexation of 1.500 acres situated in the James W. Moore Survey, Abstract No. 344, located in Hood County Texas, East Lake Phase 1, Pecan Plantation, known as 8401 Landings Road West, second reading. All documentation has been received; Staff recommends approval.

After discussion, a motion was made to annex 1.500 acres situated in the James W. Moore Survey, Abstract No. 344, located in Hood County, Texas, East Lake, Phase 1,

Pecan Plantation, known as 8401 Landings Road West into the Acton Municipal Utility District. (RESOL 23-05-393)

Motion: Rose
Second: Vernon
Vote: All ayes

- K. Richard English presented the annexation of 1.886 acres situated in the James W. Moore Survey, Abstract No. 344, located in Hood County Texas, East Lake Phase 1, Pecan Plantation, known as 8301 Landings Road West, second reading. All documentation has been received; Staff recommends approval.

After discussion, a motion was made to annex 1.886 acres situated in the James W. Moore Survey, Abstract No. 344, located in Hood County, Texas, East Lake, Phase 1, Pecan Plantation, known as 8301 Landings Road West into the Acton Municipal Utility District. (RESOL 23-05-394)

Motion: Rose
Second: Cleveland
Vote: All ayes

- L. Richard English presented the annexation of 14.189 acres situated in the Samuel M. Herron Survey, Abstract No. 247, located in Hood County Texas, known as 4181 Acton Highway, first reading. The water will be strictly used for cattle. The house is on a private water well and located on a separate tract of land.

After discussion, a motion was made to carry over for a second reading.

Motion: Cleveland
Second: Vernon
Vote: All ayes

- M. Richard English presented the annexation of 0.633 acres situated in part of the John McCoy Survey, Abstract No. 381, located in Hood County Texas, known as 3221 Fall Creek Highway, first reading. An office building is being built on the property.

After discussion, a motion was made to carry over for a second reading.

Motion: Cleveland
Second: Vernon
Vote: All ayes

- N. Richard English presented the annexation of 2.332 acres situated in part of the John McCoy Survey, Abstract No. 381, located in Hood County Texas, known as 3261 Fall Creek Highway, first reading. A dog daycare is being built on the property.

After discussion, a motion was made to carry over for a second reading.

Motion: Cleveland
Second: Vernon
Vote: All ayes

- O. Chris Hay P. E. of Enprotec/Hibbs & Todd (eHT) was present to discuss the bids for the Greenleaves Low Pressure Sewer System Improvements. Sealed bids were received May 11th; two (2) bids were received; the low bidder is Day Services, LLC. Day Services has done work for the District in the past. C. Hay presented a copy of the bid tabulation for review and a letter recommending the bid be awarded to Day Services, LLC as the lowest qualified bidder with a total contract price of \$427,534.46.

After discussion, a motion was made to award the bid for the Greenleaves Low Pressure Sewer System Improvements to the low bidder, Day Services, LLC with a total contract price of \$427,534.46.

Motion: Rose
Second: Vernon
Vote: All ayes

- P. Joshua Berryhill, P. E. of eHT presented a request for consideration for Change Order No. 6 for the WWTP No. 1 Improvements Project. The change order had previously been reviewed, however at the time it was anticipated to go against the Owner's Allowance. The total amount of the change order is not changing but the Owner's Allowance remaining budget is \$0, leaving a balance of \$4,326.83 which is an increase in the total contract price with Crossland from \$8,734,000.00 to \$8,738,326.83.

After discussion, a motion was made to approve Change Order No. 6 with a net increase in the total contract price of \$4,326.83.

Motion: Featherston
Second: Vernon
Vote: All ayes

- Q. Richard English presented a memorandum dated May 12, 2023 regarding proposed amendments to AMUD's Water Conservation and Drought Contingency Plan. As stated in the memo, we are specifically proposing to change the concept of even/odd watering days to twice a week watering days. Last summer, customers were complaining that in order to conform with the plan, they were having to reprogram their irrigation controllers frequently to accommodate with the days they were allowed to irrigate. Also, the Stage 1 Response has been mandatory, the proposed change is to make Stage 1 voluntary; Stage 2 would be mandatory.

After discussion, a motion was made to adopt the resolution amending the AMUD Water Conservation and Drought Contingency Plan. (RESOL 23-05-395)

Motion: Vernon
Second: Rose
Vote: All ayes

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

- WWTP #1 Improvements – TraC-n-trol is still waiting on the remaining communications modules, though it is working through remaining SCADA tasks outside of the module's installations. The plant is fully operational, and at this time, Crossland is working on punch list items to prepare for Substantial Completion of the project. Construction Status Meeting (CSM) #29 was held April 20th; the next CSM is on hold until we get further updates on the SCADA communication modules delivery.
- WWTP #2 Improvements – Bar Constructors has begun hydraulic leak testing of the SBR basins, with leak testing to continue into May due to leakage that needs to be corrected to meet ACI 350 requirements for watertight testing. Completion of the transformer relocation at the plant by Oncor was completed in February which allowed Bar to begin working on the new Control Building and Dewatering Building in March and continue into April and May. Bar also began installing piping in the SBR Support Building to prepare for mechanical equipment installation following erection of the SBR Support Building. CSM #9 was held April 18th; the next CSM is postponed till next week.
- Lift Station 11 Improvements – Bid opening was February 14th; no bids were submitted; eHT is standing by to re-advertise the project at a time to be determined later.
- Hood County CDBG First Time Sewer Service Project in Port Ridglea East – The extension from TDA has been confirmed. The Grant Consultant has worked with the County to approve the TDA-GO (payment processing) account. eHT is updating the bid documents for re-advertisement as soon as possible.
- Greenleaves Low Pressure Sewer System Improvements – Awarded the bid to Day Services, LLC under agenda item "O".
- Pecan Plantation Elevated Storage Tank Improvements – eHT is working on plans for this project and preparing a Phase 1 ESA for property acquisition purposes. eHT continuing to work on plans and specifications for submittal to TCEQ for review. R. Lewis asked when the elevated tank would be in operation; this will likely be fall of next year. The construction phase is approximately 300 days.

General Services Task

1. Mapping – eHT has completed coordination on the GIS/mapping conversion and met with Staff to coordinate information to complete map updates.

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

Motion: Rose
Second: Vernon
Vote: All ayes

S. The Operational Report was presented by T J Riggio. Under wastewater, T. Riggio informed the Board that smoke testing in Pecan Plantation (PP) is complete; basins 3 and 4 had immediate issues and these have been taken care of. Still waiting to receive the report. He reported Lift Station No. 8 in PP is down; both pumps are out. T. Riggio reported WWTP No. 1 was at 69% of the average permitted flow for the month of April, under the future 930K permit this would be 44%. WWTP No. 2 is at 50% of the average permitted flow. Both plants met all discharge permit parameters for the month of April.

T. Riggio reported unaccounted water for the month of April is 23.36%; he reported the UTGWD rate is 0.000168. T. Riggio reported water production and sales are at a 5 year high. He reported on wells; at Well No. 25 we are still waiting on contractor repairs, he has multiple contractors lined up, just waiting for one to show up; Well No. 29 is back in production; Well No. 26 is running this month. T. Riggio reported there were no positive bacteriological samples for the month of April. He reported approximately 1,312 endpoints have been changed out, approximately 300 are remaining, we are waiting on splice kits to complete the change outs.

R. English presented a handout showing the 3 million gallon finished water tank at SWATS, apparently someone was using the tank for target shooting.

After discussion, a motion was made to accept the Operational Report for April, 2023.

Motion: Cleveland
Second: Featherston
Vote: All ayes

T. Bob Evert presented a request for Board consideration to write off the net uncollectible accounts in the amount of \$2,547.29 for the month of April, 2023.

After discussion, a motion was made to write off the net uncollectible accounts in the amount of \$2,547.29 for the month of April, 2023.

Motion: Rose
Second: Vernon
Vote: All ayes

U. Bob Evert presented the Financial Report for April, 2023. 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 April, 2023.

Motion: Featherston
Second: Cleveland
Vote: All ayes

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

1. The Regular Meeting for June is scheduled for 9:00 a.m., Wednesday, June 21, 2023. Committee meetings are scheduled for Thursday, June 15th; V. Vernon will be out of town during the committee meeting.
2. Monthly Brazos Regional Public Utility Agency meeting – Wednesday, May 24th at the JCSUD Office.
3. AMUD Office will be closed May 29th for the Memorial Day Holiday.
4. Articles – “After four-year delay, city moves on East sewer plant” from Hood County News. C. Hay stated the City has authorized engineering to move forward. “Water + Weather for April” posted from Texas Water Development Board.

Open Items –

- a) SWATS Plant Update – Presented water quality reports; source, raw and finished water for the month of April, 2023 and the beginning of May 2023. Chloride levels are staying reasonably low.
- b) Port Ridglea East – CDBG First Time Sewer Service Project. Discussed under Engineer's Report.

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

Motion: Vernon
Second: Rose
Vote: All ayes

W. Items from Board Members:

Vernon:

1. Thanked Richard, Ray, Josh and everyone for their efforts and hard work.

Cleveland:

None

Rose:

None

Featherston:

None

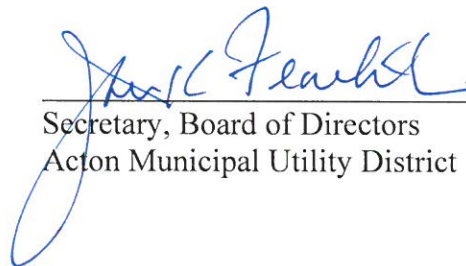
Lewis:

1. Informed everyone he will be out of the country until June 17th and will have limited phone and internet service.
2. Thanked everyone for their hard work.

Adjournment

A motion was made to adjourn at 11:30 a.m.

Motion: Vernon
Second: Cleveland
Vote: All ayes



Secretary, Board of Directors
Acton Municipal Utility District