

MINUTES

ACTON MUNICIPAL UTILITY DISTRICT

The Board of Directors of Acton Municipal Utility District met in regular session at 9:00 a.m., Wednesday, July 20, 2022. Notice of said meeting was posted as prescribed by Chapter 54, Article 109, of the Texas Water Code.

Regular Session

July 20, 2022

Directors Present

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

Staff Present

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

Visitors

C. Hay, P.E.,  
Enprotec/Hibbs & Todd  
J. Berryhill, P.E.,  
Enprotec/Hibbs & Todd, via  
conference call  
L. Dougal, Jackson Walker,  
via conference call  
A. Mullins, Consultant, via  
conference call  
S. Dollins, Brazos Regional  
Public Utility Agency

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 June 15, 2022, Special Meeting June 29, 2022, Special Meeting June 30, 2022 and Special Meeting July 13, 2022.

Motion: Featherston  
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 9:20 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 10:50 a.m. and returned to open session.

- D. No action taken on executive session items.
- E. Richard English presented the annexation of 23.6218 acres in part of the Fogg Survey, Abstract No. 648 and the Wherry Davis Survey, Abstract No. 1, located in Hood County, Texas, known as 6121 Contrary Creek Road, first reading. The intended use for the site is a 9,600 sq. ft. commercial building; the concrete slab has already been poured. A fire hydrant is not required for this annexation since there is a fire hydrant within 500' located at the east end of the Dollar General Store.

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

Motion: Featherston  
Second: Vernon  
Vote: All ayes

- F. Chris Hay, P.E. of Enprotec/Hibbs & Todd (eHT) presented Change Order No. 6 for the WWTP No. 1 Improvements Project for Board consideration. This change order request is to support relocation of the existing SCADA antenna from its current location to the new Operations Building. This item was not in the electrical engineer's drawings, and therefore it is an additional scope item. The total cost for this Change Order is \$11,250.00. eHT recommends Board approval.

After discussion, a motion was made to approve Change Order No. 6 for the WWTP No. 1 Improvements Project in the amount of \$11,250.00.

Motion: Cleveland  
Second: Featherston  
Vote: All ayes

- G. The Engineer's Report was presented by Chris Hay, P.E. of eHT. He reported on the following:
- WWTP #1 Improvements – Finishing out the Control Building and the SBR Support Building are anticipated to continue through July, including installation of equipment, piping, valves, electrical and instrumentation. Anticipating several delivery delays of components for the new plant SCADA system as well as some limited amounts of outstanding process pipes and valves for the SBR system; Crossland is currently working with TraC-n-trol and Cohen to establish firm dates for SCADA and piping equipment delivery and installation. Construction Status Meeting (CSM) #18 was held June 16<sup>th</sup>; the next CSM is anticipated for July 20<sup>th</sup>.
  - WWTP #2 Improvements – A Notice to Proceed was issued to Bar Constructors, Inc. (Bar) May 9<sup>th</sup>; this establishes the Substantial Completion date for October 31, 2023 and the Final Completion date for December 30, 2023. Bar began mobilizing at the WWTP site mid-June and began site

clearing and earthwork. Although there are still outstanding issues with PPOA regarding the haul route road repairs, the contractor is moving forward. R. English informed the Board he is trying to schedule a meeting with Operations Manager, Daniel Van Patton of PPOA and the new PPOA General Manager, Rick Lantgen to discuss the issues.

- Tank 4 Disinfectant Residual Improvements – SC&M has completed almost all final closeout tasks, therefore eHT recommends issuing the final payment along with notification to SC&M of acceptance of the project and the dates for the project warranty period.
- Lift Station 11 Improvements – The summary transmittal letter has been submitted to TCEQ for review and approval for construction. eHT continuing to finalize bid documents for advertisements when TCEQ approval is received.
- Hood County CDBG First Time Sewer Service Project in Port Ridglea East – There are only a couple of easements remaining to obtain. Once easements are acquired, the project can be advertised for bids and proceed into construction. Deadline for the project is January 2023.
- Greenleaves Low Pressure Sewer System Improvements – eHT completed the design survey after coordination with Staff to locate the existing infrastructure that has already been installed. Completed coordination with the grinder pump manufacturer for the system for use with E-One grinder pumps which are utilized in this portion of the system. Moving towards 60% design completion and plan to hold a preliminary design review meeting with Staff before moving towards completion of the design.

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

Motion: Vernon  
Second: Rose  
Vote: All ayes

H. The Operational Report was presented by T J Riggio. He reported unaccounted water for the month of June is 23.98%; 12 month rolling average is 11.15%. T. Riggio reported we pumped a total of 135.9 million gallons of water in the month of June; 45.8 million gallons was pumped from our water wells; 90.1 million gallons was taken from SWATS. He reported we are at a 5 year high on gallons sold.

T. Riggio reported UTGCD rate calculation for the month of June is \$0.0098 per 1,000 gallons. Pecan Plantation Fire Department reported 6,000 gallons usage for the month of June. No usage was reported this month from Indian Harbor or DCBE/Acton Fire Departments. T. Riggio reported during the month of June, Well No's. 11, 15P, and 20 were down; the pump at Well No. 11 is down and needs to be pulled, however there are power lines in the way; crews are waiting for the electric company to disconnect the power before we can pull the pump; Well No. 30 is inactive.

Under the Wastewater Report, T. Riggio reported WWTP No. 1 is at 51% average permitted flow. He informed the Board that WWTP No. 1 exceeded the limit for ammonia; the cause is related to taking the clarifier off-line. WWTP No. 2 is at 59% average permitted flow. T. Riggio reported there were 28 wastewater problem calls for the month of June; 8 gravity problem calls and 17 grinder pump problem calls; 14 were E-1 grinder pumps and 3 were Keen pumps. The other call outs were the customer problem, not a problem with the grinder pump.

Items highlighted on the major project's lists are as follows:

- Meters – Remote Reads – 16 meters were changed out, 117 meters fiscal year to date.

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

Motion: Cleveland  
Second: Vernon  
Vote: All ayes

- I. Bob Evert presented an engagement letter from George, Morgan & Sneed, P.C. (GMS) to conduct the year ending September 30, 2022 audit. The base fee, including expenses, will not exceed \$20,000. This year we will be required to do a single audit which is an additional fee of approximately \$4,000. GMS has conducted the audit the last four years.

After discussion, a motion was made to approve the audit engagement letter and retain GMS to perform the audit for the year ending September 30, 2022.

Motion: Rose  
Second: Cleveland  
Vote: All ayes

- J. Bob Evert presented the Quarterly Investment Report, 3<sup>rd</sup> quarter fiscal year, 2<sup>nd</sup> quarter 2022.

After discussion, a motion was made to accept the Quarterly Investment Report, 3<sup>rd</sup> quarter fiscal year, 2<sup>nd</sup> quarter 2022.

Motion: Rose  
Second: Cleveland  
Vote: All ayes

- K. Bob Evert presented a request for Board consideration to write off the net uncollectible accounts in the amount of \$2,584.22 for the month of June, 2022. The Board questioned why the balance on an account in Golden Oaks is so high; over \$1,000.00. Staff will research this account. G. Rose stated the Ravenswood account has been paid; the payment will show up on next month's report.

After discussion, a motion was made to write off the net uncollectible accounts in the amount of \$2,584.22 for the month of June, 2022.

Motion: Rose  
Second: Vernon  
Vote: All ayes

L. Bob Evert presented the Financial Report. He reported Water Revenue for June is up from last month and up from the same period last year. Sewer revenue is up from last month and up from the same period last year. One new grinder pump was sold during the month of June, in the Acton Area. Impact Fee revenue is \$52,500 consisting of \$42,000 from water and \$10,500 from sewer. Wholesale water revenue is \$41,027. Irrigation revenue is \$1,123 for the month.

B. Evert reported Personnel Services decreased in Water, Sewer and Administrative due to a refund from Texas Mutual – Workers Comp and less hours charged in Water and Sewer Expenses. Under Water Expense, Equipment Repairs decreased due to less vehicle and equipment repairs; and Materials & Operations increased due to inventory purchases. Under Sewer Expense, Equipment Repairs decreased due to less vehicle and equipment repairs; and Materials & Operations decreased due to less chemical purchases.

Regarding Capital Items, B. Evert reported on the following: Under Water Line Replacements we paid \$1,500 for Blackhawk Circle engineering; under Equipment we paid \$1,190 for Tank 4 engineering; under SCADA we paid \$1,170 for the SCADA computer; under SWATS Capacity Restoration we paid \$7,948 for engineering; under SWATS Capital we paid \$62,755 for SWATS Capital monthly payment; under Land, Easements, ROW we paid \$22,896 for Legacy Easements purchases; under WWTP – DCBE Expansion we paid \$24,080 for engineering; under WWTP – Pecan Expansion we paid \$34,940 for engineering; under Sewer Line Extensions we paid \$4,000 for Greenleaves engineering; under Pump Replacement we paid \$18,819 for pump replacements at LSP 8 and LSD 11; under Office Furniture & Equipment we paid \$2,769 to replace the ice machine in the Board Conference Room; and under Engineering Fees/Consulting we paid \$10,690 for Capital Engineering – 2 month payments.

B. Evert reported cash funds used for Capital Items current month is \$133,737; year to date is \$1,771,365; Bond funds used for Capital Items current month is \$59,020; year to date is \$3,961,860.

B. Evert presented a 13-month cash flow analysis as of June 2022. He presented the Analysis of Undesignated Funds and Designated Funds as of June 2022.

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

Motion: Rose  
Second: Cleveland  
Vote: All ayes

- M. The General Manager's Report was presented by Richard English. He reported on the following items:
1. The Regular Meeting for August is scheduled for 9:00 a.m., Wednesday, August 17, 2022. Committee meetings are scheduled Thursday, August 11<sup>th</sup>.
  2. A Budget Workshop is scheduled for Tuesday, August 23<sup>rd</sup> at 10:00 a.m.
  3. Monthly meeting of the Brazos Regional Public Utility Agency – Tentatively scheduled Wednesday, July 27<sup>th</sup> at the JCSUD Office. R. English suggests BRPUA include having a budget workshop during their August meeting and suggest cancelling the July meeting.
  4. Semi-Annual Impact Fee Advisory Committee Meeting to be scheduled in August.
  5. Articles – “Water + Weather for June 2022” and “6 ways to conserve water in the summer heat” from [texaswaternewsroom.com](http://texaswaternewsroom.com).

Open Items –

- a) SWATS Plant Update – Presented water quality reports; source, raw and finished water for the month of June, 2022 and the beginning of July, 2022. Chloride levels are continuing to be low.
- b) Port Ridglea East – CDBG First Time Sewer Service Project. Staff has been working to obtain easements, waiting to hear back on 2 easements.

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

Motion: Featherston  
Second: Cleveland  
Vote: All ayes

N. Items from Board Members:

Rose:  
None

Cleveland:  
None

Featherston:  
None

Vernon:  
None

Lewis:  
None

Adjournment

A motion was made to adjourn at 11:52 a.m.

Motion:       Vernon  
Second:       Cleveland  
Vote:           All ayes

  
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Secretary, Board of Directors  
Acton Municipal Utility District