

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 19, 2023. Notice of said meeting was posted as prescribed by Chapter 54, Article 109, of the Texas Water Code.

Regular Session

July 19, 2023

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
C. Pearson, Intern with
Enprotec/Hibbs & Todd
J. Berryhill, P.E.,
Enprotec/Hibbs & Todd
K. Kindle, P. E.,
Enprotec/Hibbs & Todd
A. Head, Jackson Walker,
via conference call
A. French, 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 John Featherston.

A. After discussion, a motion was made to accept the minutes from the Regular Meeting June 21, 2023.

Motion: Featherston
Second: Cleveland
Vote: All ayes

After discussion, a motion was made to accept the minutes from the Special Meeting June 26, 2023.

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. Gov. Code 551.072: Deliberation regarding real property in the purchase, exchange, lease or value.

Executive session adjourned at 9:49 a.m. and returned to open session at 9:51 a.m.

- D. No action taken regarding legal matters.

During the Executive Session, an amendment to the Water Tower Lease Agreement was discussed. After discussion, a motion was made to amend the Water Tower Lease Agreement with AT&T.

Motion: Cleveland
Second: Vernon
Vote: All ayes

- E. Ray Lewis presented an Order by the Board of Directors of the Acton Municipal Utility District approving and authorizing publication of notice of sale of bonds designated “Acton Municipal Utility District Utility System Revenue Bonds, New Series 2023”; and other matters in connection therewith.

After discussion, a motion was made to table this item until we receive approval from Bond Counsel.

Motion: Vernon
Second: Rose
Vote: All ayes

- F. Richard English presented the annexation of 155 acres situated in parts of the Joshua Minett Survey, Abstract No. 351 and the J. Campbell Survey, Abstract No. 123, located in Hood County Texas, known as Legacy Ranch Subdivision, second reading. This annexation is in the City of Granbury’s ETJ; we are waiting to receive consent from the City. Staff recommends approval, contingent upon consent from the City of Granbury.

After discussion, a motion was made to annex 155 acres situated in parts of the Joshua Minett Survey, Abstract No. 351 and the J. Campbell Survey, Abstract No.

123, located in Hood County Texas, known as Legacy Ranch Subdivision into the Acton Municipal Utility District, contingent upon the City of Granbury's consent. (RESOL 23-07-402)

Motion: Rose
Second: Cleveland
Vote: All ayes

G. Richard English presented the annexation of 789.461 acres in the James W. Moore Survey, Abstract No. 344, and Abstract No. 1260, located in the Pecan Plantation Subdivision, Hood County and Johnson County, Texas, known as Landings East and The Ranches, second reading. All documentation has been received; Staff recommends approval.

After discussion, a motion was made to annex 789.461 acres in the James W. Moore Survey, Abstract No. 344, and Abstract No. 1260, located in the Pecan Plantation Subdivision, Hood County and Johnson County, Texas, known as Landings East and The Ranches into the Acton Municipal Utility District. (RESOL 23-07-403)

Motion: Cleveland
Second: Rose
Vote: All ayes

H. 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, Crossland is currently working on punch list items (mostly SCADA tasks) to prepare for Substantial Completion of the project. Construction Status Meeting (CSM) #30 was held June 15th; the next CSM is to be determined pending contractor progress.
- WWTP #2 Improvements – Bar Constructors continuing work on hydraulic leak testing of the SBR basins. 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 which will continue into July and August. Bar Constructors is also working on site civil construction for retaining walls, dirt work, and other miscellaneous items. CSM #10 was held June 20th; the next CSM is anticipated for late July.
- 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 project was advertised for re-bid on June 10th; one bid was received and was significantly over budget. The Hood County Commissioners tabled the item. The Grant Consultant coordinated with the State Director for TDA who informed him they are terminating the contract since the construction contract award did not meet the required deadline. This project will not move forward.

- Greenleaves Low Pressure Sewer System Improvements – The project was awarded to Day Services, LLC at the May Board Meeting. Contracts have been executed. A pre-construction meeting was held on July 11th; the Contractor anticipates starting construction September 1st. The estimated construction duration is 90 days.
- Pecan Plantation Elevated Storage Tank Improvements – eHT is continuing to work on plans and specifications for this project for submittal to TCEQ for approval. A design review meeting was held with Staff June 8th and plans are being modified to reflect comments. Anticipate TCEQ submittal will occur this month; typically takes at least 60 days for review and approval. The project can be advertised for bids upon receipt of TCEQ approval.
- Acton Loop Water Line Extension Improvements – eHT held a design kickoff meeting with Staff July 12th; a preliminary route was determined so surveying can get started. Anticipate surveyors will be on-site the week of July 24th to begin the design survey. The preliminary alignment included requires approximately 4 easements to be acquired. Once access is allowed for the easements, eHT will perform surveys and create easement exhibits and move forward with design.

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

Motion: Featherston
 Second: Cleveland
 Vote: All ayes

1. The Operational Report was presented by T J Riggio. He informed the Board of a couple of issues. One issue is green water / manganese. This likely occurred due to the lake turning over more rapidly than in prior years caused by the excessive temperatures; we have not experienced this issue before. There are no health concerns; however, someone did report it to the TCEQ, therefore we are going through a records request/mini audit with TCEQ. The other issue is on the wastewater side; at WWTP No. 2 the level of Benzene was high; the landfill will not accept any sludge from that plant until the Benzene levels are reduced. Benzene is a by-product of petroleum products. eHT suggest it could be some kind of lubricant that leaked from the belt press. T. Riggio informed the Board we are now required to test for three (3) additional metals. T. Riggio stated we received an extension for WWTP No. 1 to complete test sampling.

Under wastewater, T. Riggio reported WWTP No. 1 construction is nearing completion, WWTP No. 2 construction is well under way; there have been no complaints from the community. He reported WWTP No. 1 was at 71% of the average permitted flow for the month of June, under the future 930K permit this would be 46%. WWTP No. 2 is at 47% of the average permitted flow, under the future 820K permit this would be 28%. Both plants met all discharge permit parameters for the month of June. WWTP No. 2 did have elevated TSS but still well below permit limits.

T. Riggio reported unaccounted water for the month of June is 32.60%; high water usage toward the end of the month drove this percentage up; he reported the UTGWD rate is 0.000145. T. Riggio reported the water production and sales for the month and year to date; he reported on the 2nd quarter disinfectant level report; we collected a total of 510 residual samples, we did not exceed 5% of total samples below 0.5 mg/L minimum allowable level, we did have 5 samples exceed 4.0 mg/L maximum level which is most likely due to the solenoid valve sticking at Well 21. He reported on wells; at Well No. 25 we have a secured contractor, submitted coating specs; Well No. 14 is turned off as of June 22nd due to the tank coming apart at the seams; it will hold water but it is exposed to the atmosphere and possible contamination; Well No. 16 we are waiting on parts for the booster pump. T. Riggio reported there were no positive bacteriological samples for the month of June. He reported all endpoints have been changed out. He reported all three elevated storage tanks were cleaned this month.

T. Riggio informed the Board that currently we are 4 employees short in the field. He also informed the Board he sent the review comments back to the developer for Landings East and Pirate Village, waiting on updated plans.

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

Motion: Featherston
Second: Vernon
Vote: All ayes

- J. Bob Evert presented an engagement letter from George, Morgan & Sneed, P.C. (GMS) to conduct the year ending September 30, 2023 audit. The base fee, including expenses, will not exceed \$20,500. We are required to do a single audit which is an additional fee of approximately \$4,000. GMS has conducted the audit the last five 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, 2023.

Motion: Rose
Second: Cleveland
Vote: All ayes

- K. Bob Evert presented the Quarterly Investment Report, 3rd quarter fiscal year, 2nd quarter 2023.

After discussion, a motion was made to accept the Quarterly Investment Report, 3rd quarter fiscal year, 2nd quarter 2023.

Motion: Vernon
Second: Cleveland
Vote: All ayes

- L. Bob Evert presented a request for Board consideration to write off the net uncollectible accounts in the amount of \$944.93 for the month of June, 2023. The year to date write offs rate of revenue is 0.21%.

After discussion, a motion was made to write off the net uncollectible accounts in the amount of \$944.93 for the month of June, 2023.

Motion: Cleveland
Second: Vernon
Vote: All ayes

- M. Bob Evert presented the Financial Report for June, 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 June, 2023.

Motion: Cleveland
Second: Featherston
Vote: All ayes

- N. 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 16, 2023. Committee meetings are scheduled for Thursday, August 10th.
 2. A Budget Workshop is scheduled for 10:00 a.m., Wednesday, August 23, 2023.
 3. Public Funds Investment Training – Zoom meeting – Thursday, July 20th.
 4. Monthly Brazos Regional Public Utility Agency meeting – Wednesday, July 26th at 2:00 p.m. at the AMUD Office.
 5. Semi-Annual Impact Fee Advisory Committee Meeting to be scheduled in August.
 6. Articles – “Water + Weather for June 2023”, and “88th Legislative Session prioritizes water for Texas” 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 June, 2023 and the beginning of July 2023. Chloride levels are holding steady.
- 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: Rose
Second: Vernon
Vote: All ayes

O. Items from Board Members:

Rose:
None

Cleveland:
None

Vernon:
None

Featherston:
None


Lewis:

- 1. With regard to the WWTP #2 project and the issues we went through with the Pecan Plantation (PP) Board regarding possible impacts to their roads, he request at the end of this project to prepare a report showing any road impacts caused during construction to the roads; we do not want this to become a precedent any time we need to do a project in PP.

Adjournment

A motion was made to adjourn at 10:52 a.m.

Motion: Vernon
Second: Rose
Vote: All ayes



Secretary, Board of Directors
Acton Municipal Utility District