

MINUTES

ACTON MUNICIPAL UTILITY DISTRICT

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

Regular Session

March 16, 2022

Directors Present

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

Staff Present

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

Visitors

K. Kindle, P.E.,
Enprotec/Hibbs & Todd
C. Hay, P.E.,
Enprotec/Hibbs & Todd
J. Berryhill, P.E.,
Enprotec/Hibbs & Todd
A. Head, Jackson Walker,
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 John Featherston.

- A. After discussion, a motion was made to accept the minutes from the Regular Meeting February 16, 2022.

Motion: Cleveland
Second: Rose
Vote: All ayes

After discussion, a motion was made to accept the minutes from the Special Meeting March 1, 2022.

Motion: Cleveland
Second: Vernon
Vote: All ayes

After discussion, a motion was made to accept the minutes from the Special Meeting March 7, 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 9:03 a.m. to discuss the following:

1. Gov. Code 551.071: Consultation with Attorney regarding pending or contemplated litigation.

Return to open session at 10:28 a.m.

D. As a result of discussion, a motion was made to approve the confidential Memorandum of Understanding, to remain confidential pending execution of documents needed to satisfy the mediated agreement.

Motion: Cleveland
Second: Vernon
Vote: All ayes

E. Joshua Berryhill, P.E. of Enprotec/Hibbs & Todd (eHT) presented bids received for the Wastewater Treatment Plant No. 2 (WWTP No. 2) Improvements Project. Proposals were opened on March 9, 2022; two proposals were received. The apparent low proposer was Bar Constructors, Inc. from Lancaster, Texas in the amount of \$14,176,507.67. Both proposals received were significantly higher than the engineers estimate of cost; however, J. Berryhill reported on several items that impact the increase in costs: cost for piping materials have increased, the small compactness of the site, and Pecan Plantations requirements on the maximum load limit (6-yard load limit) to enter the gate without being penalized. J. Berryhill did report that Bar Constructors is willing to look at other possible laydown sites for equipment / materials which could help decrease some of the cost.

Although Bar Constructors price exceeds the current project budget, their proposal is still the lowest responsive, qualified proposal for the WWTP No. 2 project. EHT therefore recommends that the WWTP No. 2 project be awarded to Bar Constructors, Inc. as the lowest qualified proposer with a total contract price of \$14,176,507.67.

After discussion, a motion was made to accept the proposal and award the bid for the WWTP No. 2 Improvements Project to Bar Constructors, Inc. at a total contract price of \$14,176,507.67.

Motion: Featherston
Second: Cleveland
Vote: All ayes

- F. Chris Hay, P.E. of eHT presented a request regarding final acceptance and release of final payment to SC&M, LLC for completion of Tank 4 Disinfectant Residual Improvements Project for Board consideration. The training and start-up began yesterday and a few punch list items and close out documents need to be completed. One issue that has been noted and that was not a part of the project is that an all-weather driveway needs to be added to the site. Due to delays in the project, SC&M is proposing to add the driveway at no charge to the District and install an alarm. J. Berryhill will submit a punch-list to SC&M; he anticipates the punch-list items will be complete within 30 days.

After discussion, a motion was made to approve final acceptance of the Tank 4 Disinfectant Residual Improvements Project with the stipulation that no payment will be issued for final payment until everything is complete and close out documents are received.

Motion: Rose
Second: Cleveland
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 March, including installation of equipment, piping, valves, electrical and instrumentation. Construction Status Meeting (CSM) #14 was held February 17th; the next CSM is anticipated for March 17th. The project is continuing on schedule.
- WWTP #2 Improvements – eHT advertised the project for bid on February 9th. Two proposals were received. The Board awarded the bid to Bar Constructors, LLC under Agenda Item “E”.
- Tank 4 Disinfectant Residual Improvements – The Board approved final acceptance to SC&M, LLC under Agenda Item “F” with the stipulation that no payment will be released until the punch list items and final close out documents are complete.
- Lift Station 11 Improvements – eHT continuing to move forward with 90% completion of preparing bid documents in preparation of advertising the project. Anticipate advertising the project for bid this spring.
- Hood County CDBG First Time Sewer Service Project in Port Ridglea East – eHT has provided AMUD Staff with the easement compensation evaluation

and is preparing the project manual and drawings for advertisement, with bid alternates for the more difficult installations. Easement exhibits were sent to Staff February 11th for the easement acquisition process. Once plans are completed and easements are acquired, the project can be advertised for bid.

- Blackhawk Circle Water Line Improvements – A pre-construction conference was held on February 11th. It is anticipated that the Contractor, Day Services, LLC will get started next week, pending material availability. The contract time allows 90 days for completion of the project.

General Services Tasks

1. Legacy Ranch Off-Site Easement Coordination – eHT has received all easement documents.
2. Development Review – eHT is working on various utility capacity verification requests that have been submitted to the District:
 - a. Legacy Ranch – The Developer’s Engineer submitted another revised development plan showing a total of 622 connections, which is another proposed increase over the previous plans. eHT is reviewing water and wastewater system impacts based on the revised development plan.
 - b. Walnut Creek Duplexes – The Developer’s Engineer submitted a revised site plan for 107 units off of Fall Creek Highway. Off-site sewer improvements are required to serve the proposed development.
3. TWDB Reports
 - a. 2021 Water Use Survey – eHT submitted the Water Use Survey to TWDB before the March 1, 2022 deadline.
 - b. 2021 Water Loss Audit – eHT has begun working with Staff to prepare this report due to the TWDB by 5/1/2022.
 - c. 2021 Water Conservation Plan Annual Report – eHT has begun working with Staff to prepare this report due to the TWDB by 5/1/2022.

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

Motion: Featherston
Second: Rose
Vote: All ayes

H. The Operational Report was presented by T J Riggio. He reported unaccounted water for the month of February is 4.46%; 12 month rolling average is 9.30%. He reported we pumped a total of 44.4 million gallons of water in the month of February; 42.1 million gallons was pumped from our water wells; 2.3 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 February is \$0.0224 per 1,000 gallons. No usage was reported this month from Pecan Plantation, Indian Harbor or DCBE/Acton Fire Departments. T. Riggio reported during the month of February, Well No.’s 15P, 20 and 26 were down; Well No. 30 is inactive. Well No.

15P usually does not run this time of the year; Well No. 20, working on the same issues as the prior month and Well No. 26 is having issues with automation.

Under the Wastewater Report, T. Riggio reported WWTP No. 1 is at 60% average permitted flow. WWTP No. 2 is at 68% average permitted flow. T. Riggio reported there were 21 wastewater problem calls for the month of February; 4 gravity problem calls and 14 grinder pump problem calls; 12 were E-1 grinder pumps, 2 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 – 9 meters were changed out, 76 meters fiscal year to date.
- Pipebursting – Landsdown – In progress, pipebursting is almost complete.

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

Motion: Vernon
Second: Cleveland
Vote: All ayes

- I. Richard English presented a memorandum dated February 28, 2022 regarding the semi-annual review of water and wastewater impact fees for Board consideration. No discrepancies were found and no changes are recommended at this time.

After discussion, a motion was made to accept the Impact Fee Advisory Committee memorandum dated February 28, 2022.

Motion: Featherston
Second: Rose
Vote: All ayes

- J. Bob Evert presented a request for Board consideration to write off the net uncollectible accounts in the amount of \$1,253.80 for the month of February, 2022. He informed the Board that Staff has been working on disconnects for non-payments, therefore write-offs may begin increasing.

After discussion, a motion was made to write off the net uncollectible accounts in the amount of \$1,253.80 for the month of February, 2022.

Motion: Featherston
Second: Rose
Vote: All ayes

K. Bob Evert presented the Financial Report. He reported Water Revenue for February is up from last month and up from the same period last year. Sewer revenue is down slightly from last month and up from the same period last year. One new grinder pump was sold during the month of February; in DCBE, Phase One. Impact Fee revenue is \$49,000 consisting of \$28,000 from water and \$21,000 from sewer. Wholesale water revenue is \$34,481 which includes January and February. Irrigation revenue is \$408 for the month.

B. Evert reported under Water Expense, Equipment Repairs increased due to 2 months of fuel and vehicle repairs; Materials & Operations increased due to SWATS principal amounts now added monthly; and Sundry increased due to payment for water damages. Under Sewer Expense, Personnel Services increased due to more hours charged to sewer by field for projects, work orders, etc.; Equipment Repairs increased due to 2 months of fuel and equipment repairs; and Materials & Operations decreased due to lower cost of grinder sales and contracted repairs. Under Administrative Expense, Personnel Services increased due to insurance charges catch up from new year; Office Expenses increased due to increase in postage for billing; Travel, Dues, Subscriptions decreased due to no payment for Texas Rural Water Association dues; and Legal & Professional increased due to final payment for audit and legal services.

Regarding Capital Items, B. Evert reported on the following: Under Well Rehab we paid \$33,865 at Well No. 16 for rehab; under SWATS Capital we paid \$62,755 for SWATS Capital monthly payment; under Land, Easements, ROW we paid \$300 for easement – Legacy Ranch; under WWTP – DCBE Expansion we paid \$13,480 for engineering; under WWTP – Pecan Expansion we paid \$81,330 for engineering; under Port Ridglea East Sewer we paid \$368 to send certified letters for the PRE project; under Office & Warehouse Building we paid \$5,571 for a new gate controller for the main gate to yard; and under Engineering Fees/Consulting we paid \$5,507 for engineering – Capital and Risk & Resilience Assessment and Emergency Response Plan. B. Evert reported cash funds used for Capital Items current month is \$108,366; year to date is 490,960; Bond funds used for Capital Items current month is \$94,810; year to date is \$2,151,523.

B. Evert presented a 13-month cash flow analysis as of February 2022. He presented the Analysis of Undesignated Funds and Designated Funds as of February 2022. He presented the Texas Workforce Commission Tax Rate Notice for 2022 and presented the Texas Municipal Reports.

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

Motion: Rose
Second: Vernon
Vote: All ayes

- L. The General Manager's Report was presented by Richard English. He reported on the following items:
1. The Regular Meeting for April is scheduled for 9:00 a.m., Wednesday, April 20, 2022. Committee meetings are scheduled Wednesday, April 13th.
 2. Monthly meeting of the Brazos Regional Public Utility Agency – A BRPUA meeting may take place this month depending on if the BRPUA Board Members wish to hold a meeting, if there is a meeting it would likely be Wednesday, March 23rd at 2:00 p.m. at the JCSUD Office.
 3. Texas Water 2022 Conference – April 4 – 7.
 4. AMUD Office closed Friday, April 15th for Good Friday.

Open Items –

- a) SWATS Plant Update – Presented water quality reports; source, raw and finished water for the month of January, 2022 and the beginning of February, 2022. Chloride levels are continuing to be low.
- b) Port Ridglea East – CDBG First Time Sewer Service Project. Working on easement process; the first notice went out to customers in February, the second notice will be sent the end of March or the first part of April.

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

Motion: Cleveland
Second: Featherston
Vote: All ayes

M. Items from Board Members:

Rose:
None

Cleveland:
None

Vernon:
None

Featherston:
None

Lewis:

1. Thanked John Featherston, Richard English, Josh Berryhill for being a part of the team in working together with regard to BRPUA.

Adjournment

A motion was made to adjourn at 11:24 a.m.

Motion: Vernon
Second: Cleveland
Vote: All ayes



Secretary, Board of Directors
Acton Municipal Utility District