

**REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
LUMBERTON MUNICIPAL UTILITY DISTRICT**

The regular meeting of the Board of Directors of the Lumberton Municipal Utility District was held on Monday, January 20, 2020, at 6:30 p.m. at the offices of the District pursuant to notice duly posted in accordance with the law. The following members of the Board were present:

David Pitchford

Jimmy Burk

Roger Smith

David Desormeaux

Absent: Nick Carter

Also present were Robb Starr (Interim District Manager) and Carla Belt as employees of the District, Jeff Leavins of LJA Engineering and Guy N. Goodson of Germer PLLC as legal counsel for the District.

*DL*  
*and Benny Leavins*  
*Interim*  
*Operator's*  
*sign.*

Agenda Item No. 1: Prayer and Pledge. A quorum being present, the meeting was called to order at 6:31 p.m. by Vice President Smith, and the prayer and pledge were also led by Vice President Smith.

Agenda Item No. 2: Public Comments of Agenda Items. None.

Agenda Item No. 3: Minutes. The Minutes of December 16, 2019 were approved as presented.

Agenda Item No. 4: Amended Capacity and Construction Approval – The Woods Subdivision, 57 lots, Mike Hawkins, owner. The Board recognized Jeff Leavins who presented his letter dated January 16, 2020 which noted there was a revision to the water and wastewater service capacity study for the Woods Subdivision, 57 lots, Mike Hawkins, owner. Mr. Leavins reviewed the prior actions taken by the Board as to the service and noted that the request was for designation of two (2) additional residential lots to the subdivision and reduction in the number of proposed future connections from ten (10) connections to eight (8) connections, but not changing the total existing proposed for future construction connections to 189 and a capacity maximum of 180 gallons per minute (capacity of 6” sanitary sewer). Mr. Leavins noted that the District’s engineers had no objection to their amended capacity and construction request.

The Board then recognized Mr. Starr who provided a historic review of the project and the development of the project to date. After discussion and upon motion duly made by Director Burk and seconded by Director Pitchford, the Board provided amended capacity and construction approval for The Woods Subdivision, 57 lots, Mike Hawkins, owner, as requested.

**Agenda Item No. 5: Construction Approval – Woosley Palms Phase IV, 12 lots, Chuck King, owner.**

The Board reviewed the preliminary plat for Woosley Palms, Phase IV. Mr. Starr noted that all District requirements for construction approval had been satisfied. After discussion and upon motion duly made by Director Pitchford and seconded by Director Burk, the Board provided construction approval to Woosley Palms Phase IV, 12 lots, Chuck King, owner.

**Agenda Item No. 6: Revised District Customer Service Agreement.** Mr. Starr noted that due to certain revisions in TCEQ rules as to pipe and fittings and the maximum amount of lead used in installation of repair of those connections and other regulatory changes, the Customer Service Agreement of the District should be amended to conform to 30 Texas Administrative Code, §290.47(b). The Board reviewed the request and after discussion and upon motion duly made by Director Desormeaux and seconded by Director Pitchford, approved the District Customer Service Agreement as presented.

**Agenda Item No. 7: Environmental Consulting Services with LJA Engineering – Wastewater Discharge Permit Renewal.** The Board recognized the Mr. Starr who indicated that LJA had presented a scope of work for assistance in renewal of the District's wastewater discharge permit located at 619 FM 421 in Hardin County. The Board reviewed the scope of work and deliverables and noted that the services were in conformance with the District's procured engineering services. Legal counsel noted that the Standard Terms and Conditions presented had been prepared by the LJA Environmental Group, and certain amendments were requested to conform with the Standard Terms and Conditions in the District's General Engineering Services Agreement. After discussion and upon motion duly made by Director Pitchford and seconded by Burk, the Board approved the Environmental Consulting Services with LJA Engineering with the corrections noted by legal counsel.

Agenda Item No. 8: Resolution 2020-1, Resolution Calling Directors' Election of May 2, 2020. The Board recognized Mr. Starr who presented Resolution 2020-1, Resolution Calling Directors' Election for a Municipal Utility District ordering a May 2, 2020 General Election for Director Positions 2 and 4. Mr. Starr noted that this would continue to be a joint election held with the City at Lumberton Independent School District. Legal counsel noted that the Resolution named certain elected officials which might change as the other two entities in the joint election executed their Election Order, so if any changes to election officials was needed, this would be brought as an amendment to the current Resolution. Legal counsel noted that the election needed to be called at this meeting as the District's February meeting would be after the last day to order the May 2, 2020 election. After discussion and upon motion duly made by Director Burk and seconded by Director Pitchford, the Board authorized and approved Resolution 2020-1, Resolution Calling Directors' Election for a Municipal Utility District on May 2, 2020.

Agenda Item No. 9: Appointment of District Committees:

- A. **Investment Policy Committee.**
- B. **Audit Policy Committee**
- C. **Sexual Harassment Policy Committee**
- D. **Fraud Policy Committee**

Mr. Starr noted that due to the retirement of Mr. Fussell, a change needed to be made in certain standing committees of the Board. After discussion and upon motion duly made by Director Pitchford and seconded by Director Desormeaux, the Board approved the standing committees of the District as presented.

Agenda Item No. 10: Manager's Report.

A. **Presentation of Financial Statement and Accounts Payable.** The Board recognized Carla Belt who presented the District's bank statements from Wells Fargo Bank and BBVA Compass Bank. Ms. Belt noted that the Wells Fargo statement of pledged funds was not available due to the fact that the date of the meeting was held on a holiday, and she would provide as soon as received from the bank. The Board then reviewed the accounts payable in the amount of \$303,295.26. Director Pitchford questioned the invoice payable to Star to Star for tele-

communication services. Mr. Starr provided an explanation that these services had included VOIP and internet services. A discussion followed on the various entities to which the District provided payment for some portions of telephone, internet or other technology services with Director Pitchford asking if it would be beneficial to review these and determine if consolidation of certain services could result in a cost savings to the District. The Board then recognized Director Desormeaux who questioned an invoice in the amount of \$8,688.00 for VFDS. Director Desormeaux noted that he was not familiar with the acronym to which Ms. Belt and Mr. Starr noted that was for Variable Frequency Drive. The Board then moved to a discussion of the budget year-to-date showing net profit for the month of \$55,774.20. Ms. Belt noted that certain costs were included in the budget-to-date, but no capital expenditures and no scheduled maintenance expenditures were paid during the month. Ms. Belt then presented the 5-year to month average. The Board reviewed the Revenue Report and the Overtime Cost Summary and then closed with a presentation of Customer Adjustments. The Board then thanked Ms. Belt.

**B. Presentation of Production Report and Operations Report.** The Board then recognized Benny Lewis who presented the District Production and Operations Report. Mr. Lewis noted that test results for the month had been within permit parameters, and there had been no injury reports in any department. Mr. Lewis then reported that the Overtime Summary was approximately at an average of prior months and moved to a review of the Production Report. In the Production Report and in the following initial charts and graphs as to water billed and pumped, Mr. Lewis noted a higher than normal water loss. Mr. Starr and Mr. Lewis advised of the location of a leak at the end of Charlotte Street resulting in adding about 4 million gallons of unaccounted water loss. Mr. Lewis then reviewed the Water Flow, the 5-year Average Customer Usage Profile and the Customer Usage Yearly Average Profile for year-to-date. Following this presentation, the Complaint Log Chart and Compilation of Complaints were reviewed. The Board then thanked Mr. Lewis for presentation of the Production and Operations Report.

**C. Presentation of Important Dates.** Vice President Smith then recognized Mr.

Starr who advised that he would be attending an Advisory Committee meeting in Austin this week and that he and employees of the District would also soon be attending an election while training seminar. The Board thanked Mr. Starr.

Agenda Item No. 11: Executive Session. Vice President Smith noted that the Board would move into executive session at 7:07 p.m. to discuss personnel matters as permitted by §551.074 of the Texas Government Code, specifically, emergency appointment of an operations manager.

Agenda Item No. 12: Action of Executive Session. The Board reconvened from executive session at 7:17 p.m. Vice President Smith stated that in executive session, the Board discussed the emergency appointment of Benny Lewis as operations manager for a period of 180 days. After discussion and upon motion duly made by Director Burk and seconded by Director Pitchford, the Board advised Mr. Starr was to appoint Benny Lewis as Operations Manager for a period of 180 days for the period beginning January 1, 2020.


Agenda Item No. 13: Public Comments. None.

Agenda Item No. 14: Payment of Bills. After discussion and upon motion duly made by Director Pitchford and seconded by Director Burk, the accounts payable were approved for payment as presented.

Agenda Item No. 15: Adjournment. There being no further business, the meeting was adjourned at 7:22 p.m.

ATTEST

Secretary of the Board

  
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President of the Board