

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

A regular meeting of the Board of Directors of the Lumberton Municipal Utility District was held on Monday, August 19, 2019, 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 Desormeaux

Roger Smith

Jimmy Burk

Nick Carter

David Pitchford

Also present were Roger Fussell, Carla Belt and Robb Starr as employees of the District, Jeff Leavins of LJA Engineering (for the later part of the meeting) and Kate K. Leverett of Germer PLLC as legal counsel for the District.

Agenda Item No. 1: Prayer and Pledge. A quorum being present, the public hearing was called to order by President Nick Carter at 6:30 p.m. The prayer was led by Vice President Smith followed by the pledge.

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

Agenda Item No. 3: Minutes. The Minutes of July 12, 2019 were approved as presented.

Agenda Item No. 4: Capacity and Construction Approval—Bud's Boil and Go Crawfish-910 North Main Bud Trahan, owner. The Board recognized Roger Fussell who recommended to the Board to authorize the capacity and construction approval for Bud's Boil and Go Crawfish. After discussion and upon motion was made by Director Desormeaux and seconded by Director Burke, the Board unanimously approved.

Agenda Item No. 5: Capacity and Construction Approval—Rockdale Ridge Mobile Home Park—34 lots Quentin Duff, owner. The Board again recognized Mr. Fussell who recommended authorization of the capacity and construction approval for Rockdale Ridge Mobile Home Park. After discussion and

upon motion duly made by Vice President Smith and seconded by Director Burke, the capacity and construction approval was unanimously granted.

Agenda Item No. 6: Capacity and Construction Approval—North Fawn Drive—2 lots John Knoden, owner. The Board again recognized Mr. Fussell who recommended authorization of the capacity and construction approval for North Fawn Drive. After discussion and upon motion duly made by Director Desormeaux and seconded by Director Burke, the capacity and construction approval was unanimously granted.

Agenda Item No. 7: Capacity and Construction Approval—Tejas Retail Center—457 North LHS Drive—Ned Saqer, owner. The Board again recognized Mr. Fussell who recommended authorization of the capacity and construction approval for Tejas Retail Center. After discussion and upon motion duly made by Vice President Smith and seconded by Director Desormeaux, the capacity and construction approval was unanimously granted.

Agenda Item No. 8: Amended Capacity and Construction Approval—additional 12 lots 10580 Sweetgum—Mike Swarthout, owner. The Board again recognized Mr. Fussell who explained why the capacity and construction approval for 10580 Sweetgum needed to be amended. After discussion and upon motion duly made by Director Desormeaux and seconded by Director Burke, the amended capacity and construction approval was unanimously granted.

Agenda Item No. 9: Final Approval—Westwood Height V Section 1 — Georgetown—33 lots—Tom Cormier, owner. The Board again recognized Mr. Fussell who recommended authorization of final approval of Westwood Height V Section 1. After discussion and upon motion duly made by Vice President Smith and seconded by Director Desormeaux, the motion passed unanimously.

Agenda Item No. 10: Presentation by legal counsel on election procedures for proposed District ballot propositions and election calendar for designation of defined area and authorization of unlimited tax bonds for the defined area. The Board recognized legal counsel who presented the election calendar for the upcoming election. No action was taken.

Agenda Item No. 11: Order Calling Election for Designation of a Defined Area (Proposition A) and Authorization of Unlimited Tax Bonds for the Defined Area (Proposition B). The Board recognized legal counsel who presented the order calling for an election on the designation of a defined area and the authorization of unlimited tax bonds within the defined area. President Carter stated he was concerned about drainage being mentioned in the election order as a project that may be funded through bond proceeds when drainage is not a responsibility of the District. Director Desormeaux echoed this concern and also brought to counsel's attention a small non-substantive change that needed to be made to the order. Director Smith stated he was pleased the developers were planning to make drainage improvements in the defined area. Legal counsel responded to the concerns by the Board. After discussion and upon motion duly made by Vice President Smith and seconded by Director Desormeaux, the election order was approved unanimously.

Agenda Item No. 12: Election Services Agreement or other appropriate agreement(s) with Hardin County, Texas for conduct of a November 5, 2019 Election on the Bonds. The Board recognized legal counsel who explained the current discussions with Hardin County, early voting locations and precinct polling locations. After discussion and upon motion duly made by Director Burke and seconded by Director Desormeaux, the motion passed unanimously.

Agenda Item No. 13: Write-offs for the fiscal year July 1, 2017 thru June 30, 2019. The Board recognized Mr. Fussell and Ms. Belt who presented the proposed write-offs for fiscal year 2018-2019. The total amount of write-offs totaled \$26,185.59. After discussion and upon motion duly made by Director Pitchford and seconded by Director Burke, the write-offs in the amount of \$26,185.89 were approved unanimously.

Agenda Item No. 14: Billing Services Agreement with City of Lumberton. The Board recognized Mr. Fussell who explained the billing service agreement with the City of Lumberton. The agreement remained unchanged from the prior agreement but was updated for the new term. After discussion and upon motion

duly made by Director Desormeaux and seconded by Vice President Smith, the billing services agreement as approved.

Agenda Item No. 15: 2019 Certified Tax Roll. The Board recognized Mr. Fussell who presented the 2019 Certified Tax Roll in the amount of \$1,251,730,807. After discussion and upon motion duly made by Director Desormeaux and seconded by Vice President Smith, the 2019 Certified Tax Roll in the amount of \$1,251,730,807 was approved.

Agenda Item No. 16: Proposed Tax Exemption. The Board recognized Mr. Fussell who presented the standard exemptions as follows: homestead exemption, disabled person exemption and 65 years of age or older exemption. After discussion and upon motion duly made by Director Burke and seconded by Director Desormeaux, the standard exemptions were approved.

Agenda Item No. 17: Amount not to exceed \$.091200/\$100 valuation as the proposed 2019 Tax Rate. After discussion and upon motion duly made by Vice President Smith and seconded by Director Desormeaux, the proposed tax rate was approved.

Agenda Item No. 18: Set date for public hearing on 2019 proposed Tax Rate. The Board agreed to set the hearing on the tax rate for September 16 at 6:30 p.m.

Agenda Item No. 19: Managers Report

A. Presentation of Financial Statement and Accounts Payable. The Board recognized Carla Belt who presented the bank statements from BBVA Compass Bank and Wells Fargo Bank. Ms. Belt then presented the monthly comparison of system revenues along with overtime history and customer refunds. The Board then thanked Ms. Belt.

B. Presentation of Production Report and Operations Report. The Board recognized Robb Starr who provided the Production & Operations Report. The Board reviewed the reports and thanked Mr. Starr for these reports.


C. Presentation of Important Dates. The Board then recognized Mr. Fussell who went over the election calendar once more.

Agenda Item No. 20: Public Comments. None.

Agenda Item No. 21: Payment of Bills. After discussion and upon motion duly made by Director Desormeaux and seconded by Vice President Smith, the accounts payable were approved for payment as presented.

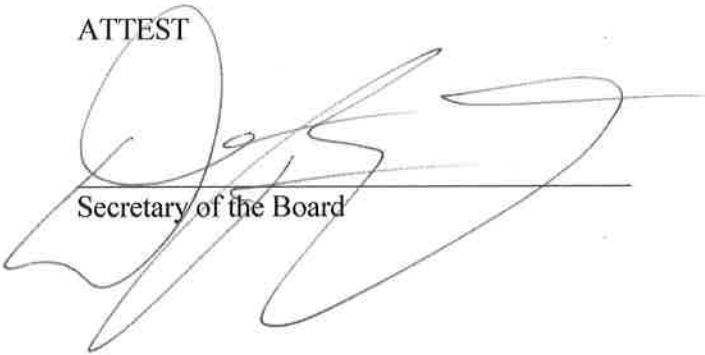
Executive Session: At 8:09 p.m., the Board adjourned into executive session. At 8:50 p.m., the Board came out of executive session and reported that no action would be taken.

Agenda Item No. 22: Adjournment. There being no further business, the meeting was adjourned at 8:55 p.m.



President of the Board

ATTEST



Secretary of the Board