

**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, December 16, 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 Pitchford

Jimmy Burk

Roger Smith

Absent: Nick Carter

Absent: David Desormeaux

Also present were Roger Fussell, Carla Belt and Robb Starr as employees of the District, Jeff Leavins of LJA Engineering, employees and residents of the District and Guy N. Goodson of Germer PLLC as legal counsel for the District.

Agenda Item No. 1: Prayer and Pledge. A quorum being present, the meeting was called to order by Vice President Smith, Director Pitchford led the prayer, and the pledge was led by Vice President Smith.

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

Agenda Item No. 3: Minutes. The Minutes of November 15, 2019 were approved as presented.

Agenda Item No. 4: Capacity Approval – Dogwood Mobile Home Park – 34 units – David Hext, owner. The Board recognized Jeff Leavins who reviewed the site location of the proposed 34-lot addition off the end of Dogwood Street and presented his water and sewer capacity study dated July 12, 2019. Mr. Leavins reviewed the proposed project and the design consideration including a review of the TCEQ criteria for sizing of utility system improvements to serve the site and future development. Mr. Leavins reviewed the water system facilities of the District and determined there was adequate water and storage capacity to meet the TCEQ criteria for connections to the proposed development. Mr. Leavins then reviewed the sanitary sewer collection system facilities and concluded that there was sufficient capacity

on the streets upon which improvements would have to be made for capacity, and that the grade of the sanitary sewer line on Dogwood being unknown may require the developer to construct a lift station to serve the proposed development, and if so required, such would be constructed to District design criteria. After discussion and upon motion duly made by Director Burk and seconded by Director Pitchford, the Board granted capacity approval for the Dogwood Mobil Home Park, 34 units, David Hext, owner, subject to the construction to District criteria of any required sanitary sewer lift station.

Agenda Item No. 5: Update Authorized Bank Signature Cards. The Board recognized Mr. Fussell who stated that due to the staff changes, new signature cards were required for approval from BBVA Compass Bank. After discussion and upon motion duly made by Director Pitchford and seconded by Director Burk, the Board authorized the execution of bank signature cards.

Agenda Item No. 6: TCEQ Agreed Order. The Board recognized Mr. Fussell who presented correspondence from the TCEQ dated November 19, 2019 presenting a proposed Agreed Order for the District's wastewater treatment plant facility on Highway 421. It was noted that the penalty was as to certain ammonia and E.coli exceedances on noted dates in 2018 and 2019. Mr. Fussell reviewed the occurrences leading to the violations, the proposed penalty and responded to questions from the Board. Mr. Fussell noted the administrative penalty after giving consideration for the TCEQ approved partial deferral would result in the District paying a settlement penalty in the amount of \$16,800.00. Additional information was provided for District's legal counsel, and after discussion and upon motion duly made by Director Burk and seconded by Director Pitchford, the Board authorized the District Manager to execute the proposed Agreed Order and authorized the administrative penalty payment in the amount of \$16,800.00.

Agenda Item No. 7: Status Update – Legal Counsel – Defined Area – Brampton-Essential. The Board recognized legal counsel who stated that as more than 30 days had expired since the canvass of returns and the declaration of returns of the election for creation of the defined area and authorizing future to be issued bond indebtedness, the next steps would be for the developer to continue collaboration with other

local and state entities to update their development plans to proceed with initial capital project improvements on various sites within the defined area. Director Pitchford asked that the Board be provided at the earliest convenience with updated development plans. Legal counsel stated he would request those from the developer.

Agenda Item No. 8: 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 together with its collateral pledge and the bank statement balances from BBVA Bank. Ms. Belt then reviewed the accounts payable for the month totaling \$303,012.59, including a payment to Electrical Specialties for FEMA work. Ms. Belt then reviewed the budget to date reviewing both revenues and disbursements and noting a cash income for the month of \$20,515.70. Ms. Belt then reviewed and noted there were no capital expenditures processed for the month, and the Board then reviewed the monthly accounting reports, including the 12-month average for water collections and expenses, a review of the overtime cost summary and a review of the November 2019 customer account adjustments. The Board thanked Ms. Belt for her presentation.

**B. Presentation of Production Report and Operations Report.** The Board recognized Robb Starr who presented the Operations Report and the Operation Summary showing no testing for water or wastewater system with exceedances and no loss time injuries. Mr. Starr noted that the overtime was higher due to work by District's staff on leaks and other repairs. The Board then reviewed in detail the Productivity Report for the month followed by the presentation of charts on water billed, current and average water pumpage and usage, and graphs on the wastewater plant flows. Due to the recent administrative order, Mr. Starr also presented a historic chart for ammonia levels in the water. Mr. Starr concluded with a review of the Customer Usage & Profiles. The Board was then presented with the Vehicle Maintenance & Mileage Report, and Mr. Starr's presentation concluded with a review of the chart and list of complaints for the month


of November 2019. There being no questions from the Board, the Board moved to public comments.

**C. Presentation of Important Dates.** None.

Agenda Item No. 9: Public Comments. District employees and staff thanked Mr. Fussell for his service as manager.

Agenda Item No. 10: 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. 11: Adjournment. There being no further business, the meeting was adjourned at 7:10 p.m.

  
President of the Board

ATTEST

  
Secretary of the Board