

Approval of Minutes from  
February 21, 2022  
Board Meeting

**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, February 21, 2022, 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

David Pitchford

Nick Carter

Also present were Robb Starr, Benny Lewis and Carla Belt as well as other employees of the District, Jared Defrancis of LJA Engineering, Dennis Williams as a resident of the District and Guy 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 where the prayer was led by Director Pitchford and the pledge was led by President Carter.

Agenda Item No. 2: **Public Comments on Agenda Items.** The Board recognized Dennis Williams who asked to speak to the Board regarding Agenda Item No. 10 and applauded the District in any efforts it made to amend its Employee Grade and Step Plan in the Wage & Classification Plan to encourage continued long tenured employees of the District. The Board thanked Mr. Williams for his comments.

Agenda Item No. 3: **Minutes from January 17, 2022 Board Meeting.** The meeting Minutes of January 17, 2022 were reviewed and approved as presented upon motion duly made and seconded.

Agenda Item No. 4: Minutes from February 7, 2022 Special Meeting. The meeting Minutes of February 7, 2022 were reviewed and approved as presented upon motion duly made and seconded.

Agenda Item No. 5: Capacity Approval – Woodcrest Village I – 8357 Dogwood – 40 units Townhome – Hud Prop, Dennis Williams, owner. The Board recognized Jared Defrancis who noted that both agenda items 5 and 6 were as to various sections in the Woodcrest Village Project area. Mr. Defrancis began with providing a map of 8357 Dogwood for the proposed townhome development and reviewed the existing District facilities along with design criteria for the proposed project. Mr. Defrancis stated detailed recommendations for water system and sanitary sewer collection system facilities. He noted system upgrades as identified in the LJA capacity report dated February 18, 2022 would need to be undertaken by the developer including the possible replacement of approximately 1,200 linear feet of 6” sanitary sewer line. It was also noted that the grade of the existing 6” sanitary line on through the west end of Dogwood was unknown, therefore, depending upon determination of the grade, the developer may be required to replace the 1,200 linear feet of the 6” sanitary sewer gravity line which was to be constructed to District design criteria. It was also noted the developer would be required to extend the existing 6” water line at the corner of Dogwood and Hickory West to the proposed development. After discussion and upon motion duly made by Director Desormeaux and seconded by Director Smith, the Board unanimously provided capacity approval for Woodcrest Village I, 8357 Dogwood, 40 unit Townhome, Hud Prop, Dennis Williams, owner.

Agenda Item No. 6: Capacity Approval – Woodcrest Village II – 8305 Dogwood – 40 units Townhome – Hud Prop, Dennis Williams, owner. It was noted the site map was also provided for 8305 Dogwood. Again, Mr. Defrancis reviewed the design criteria of the District and existing water system facilities and sanitary sewer collection facilities to serve the proposed development area. Mr. Defrancis reviewed the engineer recommendation, and it was noted that the developer would need to

extend the existing 6” water line to the development on the sanitary sewer. Again, it was noted as due to the grade of the approximate 1,200 linear feet of line which may be required for replacement, as was mentioned in agenda item 5. Director Desormeaux asked why the projects had been separated instead of submitting one capacity approval request. Mr. Williams stated the two projects were separated as they were acquired in separate acquisitions and were sub-developed separately. In conclusion, Mr. Defrancis noted the development would need to extend the 6” water line from Dogwood and Hickory to the proposed development location and possibly replace the 6” sewer line as noted above. After discussion and upon motion duly made by Director Desormeaux and seconded by Director Smith, the Board unanimously provided capacity approval for Woodcrest Village II, 8305 Dogwood, 40 unit Townhome, Hud Prop, Dennis Williams, owner.

**Agenda Item No. 7: Capacity Approval – 7433 Fawn Drive – 23 units – CHM Homes, owner.**

The Board again recognized Mr. Defrancis who provided the location map for the proposed development and adjacent properties. Mr. Defrancis reviewed existing water and sanitary sewer system facilities. It was noted the District had adequate water well and storage capacities, and the existing 8” waterline on the north side of Fawn Drive would provide adequate service for the proposed development without significant impact on the existing water distribution system. It was further noted the existing 4” low pressure sanitary sewer force main on the south side of Fawn Drive would not have sufficient capacity to serve the development, and the 4” low-pressure sewer force main would need to be replaced with approximately 900 linear feet of 6” low pressure sanitary sewer force main to Wheeler Road. Director Desormeaux questioned the upgrade, and it was noted any cost for extension of service to the project would be taken on by the developer. After discussion and upon motion duly made by Director Pitchford and seconded by Director Desormeaux, the Board unanimously provided capacity approval for 7433 Fawn Drive, 23 units, CHM Homes, owner.

Agenda Item No. 8: **Capacity and Construction Approval – Sheffield/Stargazer – 8 units – Michael Soto, owner.** The Board was provided a map of the proposed development area along Sheffield Lane and Stargazer Drive. Mr. Defrancis reviewed existing water and sanitary sewer collection system improvements and stated the developer would be responsible for constructing eight (8) water lines from the 8” waterline located along the south side of Sheffield Lane to the proposed development for the eight (8) units as well as for replacement of a 6” low pressure sanitary sewer force main to Wheeler Road. Mr. Starr indicated all service installations would be on Sheffield Lane and all improvements would be at the developer’s expense. After discussion and upon motion duly made by Director Burk and seconded by Director Pitchford, the Board provided capacity and construction approval to Sheffield/Stargazer, 8 units, Michael Soto, owner.

Agenda Item No. 9: **CMS for Management and Support of Software Office 365.** The Board recognized the District Manager who indicated this matter was placed on the agenda to ensure the Board was aware that the District needed additional assistance from CMS for management and support of Software Office 365. After discussion and upon motion duly made by Director Pitchford and seconded by Director Burk, the Board unanimously approved and authorized the District Manager to execute the Agreement with CMS for management and support of Software Office 365, as presented.

Agenda Item No. 10: **Resolution No. 2022-02, Amend Lumberton MUD Employees Grade and Step Plan in the Wage & Classification Plan.** The Board recognized the District Manager who indicated he had updated the spreadsheet to account for a new employee. This was the recommendation that had been discussed at previous Board meetings. After a brief discussion and upon motion duly made by Director Smith and seconded by Director Desormeaux, the Board

unanimously approved Resolution No. 2022-02, amending the District Employees Grade and Step Plan in the Wage & Classification Plan to be effective April 4, 2022.

Agenda Item No. 11: **Resolution No. 2022-03, a Resolution establishing a new fee structure to be charged for Water, Sewer Taps, and other Services performed by the District.** The Board reviewed Resolution No. 2022-03, and the District Manager indicated these matters had been previously presented and had been reviewed by both the District auditors and legal counsel. It was noted due to posting and publication requirements, the Resolution establishing the new fee structure should have a specified effective date. After discussion and upon motion duly made by Director Pitchford and seconded by Director Smith, the Board unanimously approved Resolution 2022-03 to be effective on April 4, 2022.

In order to provide for additional information, the District Manager requested that the Board take a short recess. President Carter announced the Board would take a 10-minute recess.

Agenda Item No. 12: **Authorize Solicitation of requests for proposals for banking depository services for the District.** The Board recognized the Robb Starr and Carla Belt who advised they were continuing to work with legal counsel to solicit proposals for banking depository services. It was noted the a pre-bid meeting was necessary and a summary of accounts would be those available for the period beginning on or after March 1, 2022. Legal counsel noted he would finalize with corrections to the Depository RFP recommended by Ms. Belt. It was also noted a good faith deposit was necessary. The Board asked legal counsel to amend the proposed RFP to provide for a contract period with a 4-year term but requiring a 2-year interest rate reset at the end of the second year for the second 2 years and providing for an additional period of two 1-year renewals, thereafter. After discussion and upon motion duly made by Director Burk and seconded by Director Desormeaux, the

Board unanimously authorized the District to solicit request for proposals for banking depository services with the revisions recommended.

Agenda Item No. 13: Manager's Report.

**A. Presentation of Financial Statement and Accounts Payable.** The Board recognized Carla Belt who reviewed the monthly statement of account balances and collateral pledges stating the amount of deposits in each of the depositories. Ms. Belt then reviewed the accounts receivable in the amount of \$493,388.33. The Board reviewed the budget year-to-date as to revenues and expenses resulting in a budgetary loss for the month in the amount of \$77,834.28. It was noted there were no capital budgeted items acquired during the month, but there was \$1,389.45 of maintenance budget cost incurred. Ms. Belt reviewed the monthly averages and the charts and graphs. Ms. Belt finally noted refunds on District accounts of \$2,398.88. The Board thanked Ms. Belt.

**B. Presentation of Production Report and Operations Report.** The Board recognized Mr. Lewis who noted the District had an extremely high number of exceedances at the wastewater treatment plant with eight daily ammonia exceedances accounting for 10 of the limited exceedances and BOD5 and TSS exceedances. Mr. Lewis indicated this was again due to weather and storm related events which resulted in the wastewater treatment plant capacity being reduced between 35% and 75% during these events. Mr. Lewis reminded the Board about the efforts to secure parts that were continuing to be an issue for the District. Mr. Lewis reported on one near miss in an alley behind residential facilities and further reported that the TCEQ had given the District a 1-year extension as requested on compliance of its Agreed Order. In closing and in response to comments from the Board, Mr. Lewis stated that upon receipt, the new pump would help with operations at the wastewater treatment plant.

Mr. Lewis reviewed the overtime which was up due to sewer system repair issues. He also reported in response to complaints of dirty water which was due to a pipe splitting during a recent repair project. Mr. Lewis reviewed the Monthly Production Report and noted the billed and pumped amounts were above average and that they had located and repaired a long-term leak. The Board was then presented with the monthly charts and graphs of system operations, rainfall events, ammonia exceedances and customer profile and usage. The Board was then presented with the vehicle maintenance and mileage report and the log of calls. There being no questions from the Board, Mr. Lewis was thanked.

C. **Presentation of Current Projects.** District Manager presented his report on water quality analysis, hazard mitigation and related matters.

a. **Water Quality Analysis.** Mr. Starr noted that in expansion of the comments made concerning the dirty water calls, the District had been advised persons were flow testing the hydrants but had not provided any notification. It was noted the District would collaborate more with local jurisdictions to ensure that water testing of District hydrants was done in a manner that would not lead to and would help mitigate dirty water calls. Upon questioning, Mr. Starr stated a number of times these tests were done by fire suppression companies at the direction of an engineer, rather than public entities such as the Hardin County Emergency Service District. It was also noted that a water quality analysis had been performed, and it was determined that the District was producing a higher quantity of iron at well number two at the old office site. This created issues with water quality on the blending of water between wells.

b. **Hazard Mitigation.** Mr. Starr noted the District was preparing its own Hazard Mitigation Plan as it did not have any funding source through the County or local



CDBG funds because the District is not eligible to apply without a plan in place, and would need to be sponsored through the county or the city.

**D. Presentation of Directors' Reports.** None.

Agenda Item No. 14: Executive Session. It was determined it would not be necessary to consider the posted agenda item in executive session, so the Board continued in open session with a review by the District Manager and legal counsel of the TCEQ exit interview on the waterline repair and possible required action by the District in regard to assuming maintenance responsibility of a waterline through private property with no public easement access. The exit interview form noted a violation under 30 Tex. Admin. Code §290.46(m)(4) which legal counsel stated was indeed a state regulation but did not apply by definition to public entities such as the District. Therefore, the determination was made on behalf of the District to the TCEQ that the leak on the water distribution system at 4248 Pinewood Drive was not the responsibility of the District, but that of the property owner. Mr. Starr noted after contacting appropriate representatives of the property owner, the repairs to the leak had been made. Mr. Starr noted that even though the District was not ultimately responsible, the information would be provided to the Beaumont Regional Office of the TCEQ.

Agenda Item No. 15: Action of Executive Session. None.

Agenda Item No. 16: Public Comments. A District employee also rose to thank the District for its consideration of Agenda Item No. 10.

Agenda Item No. 17: 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. 18: Adjournment. There being no further business, the meeting was adjourned at 8:28 p.m.

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President of the Board

ATTEST

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Secretary of the Board