

Approval of Minutes from  
June 17, 2024  
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, June 17, 2024, 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:

Jimmy Burk

David Desormeaux

David Pitchford

Nick Carter

Roger Smith

Also present were Robb Starr, Mike Tywater, Carla McGallion and Benny Lewis as employees of the District, Jared Defrancis and Tim Ashcroft of LJA Engineering 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 where the prayer was led by Director Smith and pledge was led by President Carter.

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

Agenda Item No. 3: Minutes. The Minutes of the May 20, 2024, meeting were approved as corrected with President Carter noting a correction on page 3.

Agenda Item No. 4: Presentation by Engineers for the Wastewater Plant and Collection System Improvements Update—LJA Engineering. The Board recognized Jared Defrancis who provided the project status report for the wastewater treatment plant and sanitary sewer collection system project. Mr. Defrancis noted that LJA Engineering was continuing to work with the TWDB on the review of the proposed wastewater treatment plant expansion project drawings. Mr. Defrancis stated

the District was still awaiting the response from the TWDB on the submittals and was in the process of preparing an engineering design report for submission immediately upon planned review approval, and this issue with final approval has delayed the proposed bidding on the project. Mr. Defrancis presented new project construction schedule and advised the engineering design report would be submitted on or about June 17, 2024.

The Board received a report on the manhole repair at Matthews Lane and U.S. 96, and Mr. Starr noted some issues that were addressed in that project. Mr. Defrancis stated there were no additional changes to the other proposed collection system projects. The Board thanked Mr. Defrancis for his report.

**Agenda Item No. 5: Authorize District Manager to sign Annual Maintenance Agreement with Balla Mechanical Services.** The District Manager recommended the Board approve the June 10, 2024 Maintenance Agreement with Balla Mechanical Services in the amount of \$1,800.00. Mr. Starr noted the District had received other proposals that were substantially more expensive, and Balla had performed other services for the District. After his presentation and upon motion duly made by Director Burk and seconded by Director Pitchford, the Board unanimously approved the execution of the annual Maintenance Agreement with Balla Mechanical Services.

**Agenda Item No. 6: Approval of 2024-2025 Proposed Budget.** The Board recognized Mr. Starr who again provided the 2024-2025 budget summary that had been presented at its previous special meeting. The total budget summary of revenues was \$14,779,035.00, and the operating expenses including operating costs, capital expenditures, defined area, emergency management together with revenue bond and general obligation debt service was \$14,610,394.00. After discussion and upon motion duly made by Director Burk and seconded by Director Pitchford, the 2024-2025 budget was approved as presented.

Agenda Item No. 7: Manager's Report.

**A. Presentation of Financial Statement and Accounts Payable.** The Board recognized Carla McGallion who reviewed the deposit at First Financial Bank of \$35,407,970.80 and the collateral pledge of \$41,533,292.90. Ms. McGallion then presented the accounts payable in the amount of \$468,676.44 and the budget year-to-date showing monthly operating loss of \$141,331.93. Ms. McGallion noted there were no capital budget expenditures for the month but were maintenance budget expenditures of \$29,477.49. Ms. McGallion provided the Board with monthly reports on 5-year to month average, overtime and customer adjustments noting adjustments in the amount of \$3,725.30. The Board then reviewed the 2022 bond worksheet showing bond proceeds and expenses paid along with the June 13, 2024 LJA Engineering invoice in the amount of \$87,166.48. Ms. McGallion closed with the presentation of the financial graphs and charts. The Board thanked Ms. McGallion for her presentation.

**B. Presentation of Production Report and Operations Report.** The Board recognized Benny Lewis who noted there were no water or wastewater system non-compliance issues for the month, but the District did have one reportable loss time accident. In the review of the monthly charts and graphs for system operations and customer profiles, Mr. Lewis noted the extremely high wastewater plant flow. Mr. Lewis also noted certain expenditures on vehicles and the higher number of complaints primarily with the low-pressure sewer system accounts due to the extremely high rainfall events for the month. The Board thanked Mr. Lewis for his report.

**C. Presentation of Current Projects.**

- 1. Public Forum – 2023 Consumer Confidence Report.** Mr. Starr advised the Board that the meeting on July 15, 2024 would begin at 6:00 p.m. and begin with

a public forum on the 2023 Consumer Confidence Report followed by the regular meeting of the Board of Directors.

2. **District Manager Evaluation Form.** Mr. Starr also distributed his evaluation form for the Board to consider. President Carter asked the Board to complete the forms and return to him, and he would provide a summary report for the July Board meeting.
3. **Time Off.** Mr. Starr closed with noting he would be off beginning June 27, 2024 for approximately two weeks during post-surgery for his wife. The Board thanked Mr. Starr for his comments.

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

Agenda Item No. 8: Public Comments. None.

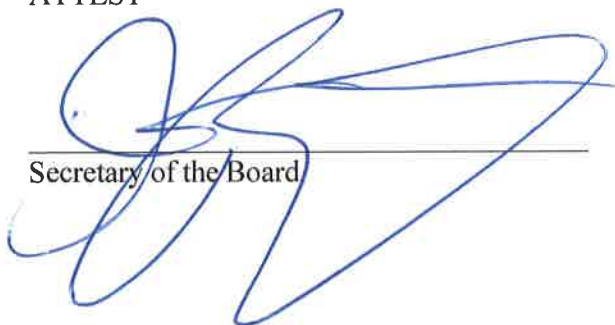
Agenda Item No. 9: Payment of Bills. After discussion and upon motion duly made by Director Pitchford and seconded by Director Burk, the accounts payable were approved for payment as presented.

Agenda Item No. 10: Adjournment. There being no further business, the meeting was adjourned at 7:07 p.m.



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President of the Board

ATTEST



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Secretary of the Board