

Approval of Minutes
from April 18,2022
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, April 18, 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, Toby Davis of LJA Engineering 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 Smith and pledge was led by President Carter.

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

Agenda Item No. 3: Minutes from March 21, 2022 Board Meeting. The meeting Minutes of March 21, 2022 were unanimously approved as presented.

Agenda Item No. 4: Final Approval – Woosley Palms Phase V – 18 lots – Chuck King, owner. The Board recognized the District Manager who indicated all conditions for final approval of the Woosley Palms Phase V had been satisfied. After discussion and upon motion duly made by Director Smith and seconded by Director Desormeaux, the Board unanimously granted final approval for Woosley Palms Phase V, 18 lots, Chuck King, owner.

Agenda Item No. 5: Manager's Report.

A. Presentation of Financial Statement and Accounts Payable. The Board recognized Carla Belt who presented the check register and collateral pledges for Wells Fargo Bank and noted due to the holidays, the PNC Bank report was unavailable. The Board then reviewed the accounts payable in the amount of \$514,059.42 and noted a payment was made to the City of Lumberton for \$53,407.73 for street revenues. Questions followed from President Carter on the large payment, and Ms. Belt provided a response noting the timing cycle for certain billings had resulted in both bills being paid in the prior month rather than in February. Ms. Belt also noted due to supply chain issues and other matters, a number of inventory purchases had been made. It was noted the monthly invoices included the annual insurance payment to the Texas Municipal League in the amount of \$26,443.00. Ms. Belt then reviewed the budget year-to-date and noted the accounts receivable had decreased \$148,000.00. In review of the budget, Ms. Belt stated the budget for the month showed a net income of \$80,959.53. Ms. Belt then presented the capital budget, and it was noted certain pumps and lift station panels had been purchased in the previous month for a total cost of \$25,785.46. Ms. Belt presented the 5-year to monthly average on water revenues and the monthly overtime report. Ms. Belt finally noted budget adjustments to customers in the amount of \$2,524.11.

B. Presentation of Production Report and Operations Report. The Board recognized Mr. Lewis who presented the Production and Operations Report beginning with the outline of plant operations, noting 19 wastewater facility exceedances, 17 related to ammonia averaging for daily, weekly and monthly limit exceedances and two requirements for biomonitoring. Mr. Lewis indicated in response to questions from the Board that the gear

box which the District had ordered, once received and installed should assist in reducing ammonia exceedances currently being reported. Mr. Lewis noted the gear box was anticipated to be a 12-week delivery. Mr. Lewis noted a significant event at the District's old office/water well facility. Mr. Lewis advised the District had been contacted by a person seeing smoke coming from the water well location, a fire occurred and was contained, but the electrical disconnect was completely destroyed and will have to be replaced. Mr. Lewis reviewed the Production Report (Page 5) and noted the extremely high amount of unaccounted for water which was a timing issue being based upon water billings going out late, so the absence of those reported billings scud the unaccounted for water in the prior months. Mr. Lewis then presented the monthly charts and graphs on water usage, customer profiles and customer billing along with plant operation as well as the vehicle maintenance and mileage reports. Mr. Lewis finally reviewed the complaint log noting a significant decrease in water quality complaints from the prior month. The Board reviewed the water quality complaints, thanked Mr. Lewis for his report and moved to acknowledge Mr. Robb Starr for presentation of current projects.

C. Presentation of Current Projects.

1. Water Quality. Mr. Starr continued with the matter addressed by Mr. Lewis on water quality complaints which were down significantly. The District was attempting to ensure more frequent sampling and addressing other matters which had previously been advised including access by third parties to District facilities resulting in water disturbances and subsequent water quality complaints. Mr. Starr indicated the District's staff was continuing to work on these issues.

2. **Grant Work.** Mr. Starr noted the District, in consultation with its financial advisor, would begin the process of preparation of the Hazard Mitigation Plan as that plan and its approval would give the District the opportunity to directly submit for funding work under the Federal Hazard Mitigation Grant Program. Mr. Starr also noted along with the plan, the District would initiate the process for procurement of grant administration services, particularly, in light of anticipated additional funding under the Federal Infrastructure Incentive & Jobs Act passed by Congress.

3. **Training event next week.** Mr. Starr noted the District's staff would be involved in an annual training event in Beaumont.

4. **TWDB application update.** Mr. Starr provided an update on the Texas Water Development Board Clean Water State Revolving Fund Application. Mr. Starr noted the TWDB staff had initially questioned the population projections presented by the District and LJA Engineering, as such were in contrary to the Regional Planning Group projection and failed to take into consideration significant growth in the City of Beaumont and overstated growth projections for the City of Beaumont. After presentation of supplemental data, the TWDB reviewed and approved the District's Application projections. Mr. Starr did note, interestingly, the TWDB did not take into consideration and seemed to be unaware of the defined area which had been created within the District. Mr. Starr noted the District's Application should now be considered on the June TWDB agenda.

5. **Room Rental.** None.

D. **Presentation of Directors' Reports.** President Carter indicated the Manager's evaluation would be included as part of the June meeting.

Agenda Item No. 6: **Public Comments.** None.

Agenda Item No. 7: 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. 8: Adjournment. There being no further business, the meeting was adjourned at 7:25 p.m.



President of the Board

ATTEST


Secretary of the Board