

Approval of Minutes
from July 17, 2023
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, July 17, 2023, 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

Roger Smith

David Pitchford

Absent: Nick Carter

Also present were Robb Starr, Carla McGallion, Mike Tywater and Benny Lewis as employees of the District, Tim Ashcroft and Jared Defrancis 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 and pledge were led by Vice President Smith.

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

Agenda Item No. 3: Minutes. The Minutes of June 16, 2023 were approved as presented.

Agenda Item No. 4: Presentation by Engineers – Wastewater Plant and Collection System Improvements Update, LJA Engineering. The District received a presentation from Jared Defrancis who noted that on July 11, LJA Engineering and District staff met to discuss the wastewater treatment plant plans, and there were no significant changes except due to updating of the removal of holding ponds, a reduction in cost estimate of approximately \$550,000 was anticipated. It was also noted the current cost estimate had resulted in a reduction of price of \$476,119. Mr. Defrancis

reported the Texas Water Development Board environmental review still was not complete but should be within 60 days. Mr. Defrancis reviewed the sanitary sewer collection system projects noting the design completion status of each project. The Board was presented with an updated diagram of the proposed wastewater treatment plant project and the updated Opinion of Probable Construction Costs dated July 14, 2023.

Agenda Item No. 5: Presentation by Developer/Engineers for the Application and Certification for Payment on the Lift Station.

- **Phase I Project for Longleaf for B-E Development, Inc.** The Board received a presentation from the representatives of Brampton Essential and reviewed the payment request in the amount of \$96,665.53. After review and upon motion duly made by Director Pitchford and seconded by Director Desormeaux, the Board unanimously approved the application and certification for payment for the lift station project.

Agenda Item No. 6: Presentation by Developer/Engineers – Pay Estimates – Longleaf for B-E Development, Inc. The Board received a detailed presentation for Pay Estimate No. 1 from Elevation Land Solutions in the amount of \$92,780.93. After discussion and upon motion duly made by Director Pitchford and seconded by Director Burk, the Board unanimously approved the pay estimate.

Agenda Item No. 7: Presentation by Developer/Engineers – Change Order – Longleaf for B-E Development, Inc. The Board received a presentation from the representative of Brampton Essential noting the change order in the amount of \$20,323.74 had been approved for the construction of lift station phase #1 and the detail of this change order dated March 13, 2023 was presented. After discussion and upon motion duly made by Director Pitchford and seconded by Director Desormeaux, Change Order #1 in the amount of \$20,323.74 was unanimously approved.

Agenda Item No. 8: Manager's Report.

A. Financial Statement and Accounts Payable. The Board recognized Carla McGallion who presented the financial statements and accounts payable noting the balances and collateral pledges at PNC Bank and Wells Fargo. Ms. McGallion presented the accounts payable in the amount of \$501,011.87 followed by the budget showing revenues for June 2023 of \$779,273.82 and disbursements of \$749,160.72 for a cash income for the month of June of \$30,113.10. Ms. McGallion then reviewed the capital budget to date, noting the acquisition of four half ton trucks for an aggregate disbursement of \$180,204.80. The Board also reviewed the 5-year to month average reports, the monthly overtime report and the customer adjustments. Questions followed from the Board, and Ms. McGallion closed with a review of the wastewater treatment plant and collection system improvement project showing outlays including an invoice in the amount of \$239,638.00 from LJA Engineering. The Board was also presented with financial graphs and charts for comparison of District operations.

B. Presentation of Production Report and Operations Report. The Board recognized Benny Lewis who presented the system operations monthly summary showing wastewater treatment plant facility exceedances dealing with ammonia including daily, weekly and monthly averages. Mr. Lewis also noted a significant event was the June 10, 2023 severe weather event which was due to the severe heat with a number of power outages including a power line which fell on the plant road. The matters were addressed by Entergy, Texas. Mr. Lewis indicated the overtime was higher due to issues with lift station repairs. Mr. Lewis noted the District water loss appeared as aggregating approximately 7% year to date. Mr. Lewis then provided the monthly charts and graphs of system operations and customer profile and uses. The Board reviewed the complaint log showing a number of complaints as to lift station dealing with the LPSS systems.

C. Presentation of Current Projects. After presentation of the report, the Board recognized Mr. Starr for his Manager's Report providing e-mails from customers in consideration of service by the District. Mr. Starr noted the District's office building had a/c control system issues, and the system would be changed out. It was further noted the District would be making certain upgrades to its parking lot.

D. Presentation of Directors' Reports. None.

Agenda Item No. 9: Public Comments. None.

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 7:02 p.m.

President of the Board

ATTEST

Secretary of the Board