Approval of Minutes from September 15, 2025

Board Meeting

PUBLIC MEETING & REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
LUMBERTON MUNICIPAL UTILITY DISTRICT

The public meeting and regular meeting of the Board of Directors of the Lumberton Municipal Utility District was held on Monday, September 15, 2025, at 6:00 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

Nick Carter

David Pitchford

Roger Smith

Also present were Robb Starr, Mike Tywater, Sandy Vines, Benny Lewis and other employees of the District, Jared Defrancis of LJA Engineering, Kate K. Leverett of Germer PLLC as legal counsel for the District as well as Mr. O'Neil with Wathen, DeShong & Juncker, LLP. Additionally, Kirk Sheppard, Clayton Authement, Jr., Stephanie Cassell and Lisa Smith were in attendance.

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 President Carter.

Agenda Item No. 2: **Public Hearing on Proposed 2025 Tax Rate for amount not to exceed $0.196900/$100 valuation.** The public hearing was convened on the proposed 2025 tax rate for an amount not to exceed $0.196900/$100 valuation.

Agenda Item No. 3: **Close Public Hearing on 2025 Tax Rate.** The public hearing on the 2025 tax rate was closed at 6:17 p.m.

Agenda Item No. 4: **Public Comments.** Brent Christopher made a comment regarding the water quality issue he is currently having at his residence. He stated he has had to replace household items such as dishwasher and washing machine which has been costly. Stephanie Castles made a comment also regarding the water quality issue at her home and specifically stated that her pool filtration system has had issues due to the water quality.

Agenda Item No. 5: **Minutes from August 18, 2025, Board Meeting.** The Minutes of August 18, 2025, regular meeting were approved as presented.

Agenda Item No. 6: **Presentation on District water quality issue and possible action to execute Agreement with Anthony Bennett Consulting for water quality assessment services.** The Board recognized Robb Starr who provided the public a detailed presentation regarding the current water quality issues affecting approximately 30-40 homes in the River Birch Neighborhood. Mr. Starr informed the public as well as the Board that the District has been working tirelessly to identify why a small amount of customers are reporting brown flakes in their water. Mr. Starr went through a brief historical review and further informed the Board and public that currently all District water samples are good, and the water is crystal clear at the meter. Therefore, the brown specs could be coming from piping within the residence; however, Mr. Starr did state the District plans to hire a consultant, Anthony Bennett, to assess the water quality issues. After discussion and upon motion duly made by Director Smith and seconded by Director Burke, a motion passed unanimously to execute the Agreement with Anthony Bennett.

Agenda Item No. 7: **2025 Tax Rate for the Lumberton Municipal Utility District an amount not to exceed $0.196900/$100 valuation.** The Board recognized Mr. Starr who briefly summarized how the tax rate for the upcoming year was calculated. After discussion and upon motion duly made by

Director Smith and seconded by Director Pitchford, the motion to set the tax rate at $0.196900/$100 valuation passed unanimously.

Agenda Item No. 8: **Presentation by Engineers for the Wastewater Plant and Collection System Improvements Update from LJA Engineering.** The Board recognized Jared Defrancis who provided a presentation regarding the wastewater plant. He stated that currently the documents have been submitted to the Texas Water Development Board, and he is waiting for approval. Mr. Defrancis is hopeful to get the notice to proceed soon. Further, Mr. Defrancis informed the Board that the pipe bursting project was about completed.

Agenda Item No. 9: **Presentation of the 2024-2025 audit of District financial records, Wathen, DeShong & Juncker, LLP.** The Board recognized Mr. O'Neil who summarized the audit and stated that the District received a clean report. After discussion and upon motion duly made by Director Desormeaux and seconded by Director Burk, the motion to accept the audit passed unanimously.

Agenda Item No. 10: **Addendum to the BLX Group engagement for arbitrage calculations for the LMUD Series 2022A and 2022B bond issues.** The Board recognized Mrs. Leverett who informed the Board that it was time to have the 5-year review of the 2015 Bonds completed and the 3-year review of the 2022 Bonds completed. After discussion and upon motion duly made by Director Smith and seconded by Director Desormeaux, the addendum to the BLX Group engagement agreement passed unanimously.

Agenda Item No. 11: **2025 Notice to Purchaser Document.** The Board recognized Mr. Starr and Mrs. Leverett who informed the Board that the updated Notice to Purchaser had been completed. After discussion and upon motion duly made by Director Burk and seconded by Director Pitchford, the motion on the 2025 Notice to Purchaser document passed unanimously.

Agenda Item No. 12: **Action of Manager's Report.**

A. Presentation of Financial Statement and Accounts Payable. The Board recognized Sandy Vines who presented the First Financial Bank statements and stated that the total deposits equaled $31,352,814.95. Further, the September 2025 check total was $366,568.73. Mrs. Vines also stated that the revenue total for August 2025 was $725,905.71, and the total disbursements were $627,753.83.

B. Presentation of Production Report and Operations Report. The Board recognized Benny Lewis who reviewed the Operations Report and stated there were only two (2) recordable incidents. He also stated it was the largest month for pumped water, billed and water flushed. He further stated that they had a 7% water loss.

C. Presentation of Current Projects. The Board then recognized Robb Starr who again informed the Board that they are focused on identifying the reason for the River Birch residents water quality issues.

D. Presentation of Directors' Reports. None.

Agenda Item No. 13: **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. 14: **Adjournment.** There being no further business, the meeting was adjourned at 7:50 p.m.

President of the Board

ATTEST

Secretary of the Board