

**MINUTES OF THE REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF  
NORTHWEST FOREST MUNICIPAL UTILITY DISTRICT  
HELD ON AUGUST 13, 2024**

The Board of Directors of the **NORTHWEST FOREST MUNICIPAL UTILITY DISTRICT** held a meeting on Tuesday, August 13, 2024, at **TEXAS FIRST BANK, 6363 Phelan Blvd, Beaumont, Texas 77706**.

Present were Mark McKee, Kyle Knipple and Lisa Fenner. Kevin Roach and Teressa Robertson were absent. Also, present was Roger Croley of J.S. Edwards as the accountant for the District, a representative of Joey Keel Enterprises and Guy N. Goodson of Germer PLLC as legal counsel to the District.

**Agenda Item No. 1: Call to Order.** A quorum being present, the meeting was called to order at 3:02 p.m. by President McKee.

**Agenda Item No. 2: Public Comments.** None.

**Agenda Item No. 3: Minutes of special meeting of April 25, 2024.** The Minutes of April 25, 2024 were approved upon motion duly made by Director Fenner and seconded by Director Knipple.

**Agenda Item No. 4: Minutes of workshop of May 14, 2024.** The Minutes of May 14, 2024 were approved upon motion duly made by Director Fenner and seconded by Director Knipple.

**Agenda Item No. 5: Minutes of meeting of May 14, 2024.** The Minutes of May 14, 2024 were approved upon motion duly made by Director Fenner and seconded by Director Knipple.

**Agenda Item No. 11: District utility system operational issues.**

- **Report from utility operator. Includes but not limited to:** A representative of Keel Enterprises and Director Knipple noted that Mr. Keel would not be present.
  - **5/22 Sewer blockage on Tan Oak.** President McKee reviewed agenda items noting a sewage blockage on Tan Oak on May 25, 2024 and the Forest Trail concrete repair road section.
  - **Forest Trail concrete repair section of roadway.** See above.
  - **New Connections/Disconnects.** It was noted there were no new connects or disconnects for the month. The Board discussed other operational repair or maintenance issues including a pressure gauge repair on the master meter. Director Knipple noted that Mr. Keel had ordered a replacement gauge in the amount of \$650.00.

**Agenda Item No. 12: Update on utility system billing, remittances, and reconciliation corrections:**

- **Customer Service issues.** The representative of Keel Enterprises discussed customer service issues since the last Board meeting.
- **Reconciliation of chargeback services.** None.

**Agenda Item No. 13: Action on utility system billing software upgrade.** The Board received a detailed presentation from President McKee on the proposed migration of the billing software from UBMax. President McKee noted the benefits of the upgraded billing software for customer accessibility. It was noted that it would be a price increase, and the billing software upgrade was reviewed by the Board. After discussion and upon motion duly made by President McKee and seconded by Director Fenner, the Board approved the

migration from the UBMax Billing Software to the gWorks Software to be effective on or about December 31, 2024.

Agenda Item No. 6: 2024-2025 budget. The Board recognized Roger Croley who presented a proposed operation budget of \$426,700.00 based upon projected revenues and tax collections for the upcoming fiscal year. After discussion and upon motion duly made by Director Knipple and seconded by Director Fenner, the Board unanimously approved the 2024-2025 budget in the amount of \$426,700.00 as presented.

Agenda Item No. 7: Submit tax rate reports to Jefferson County. After discussion and upon motion duly made by Director Knipple and seconded by President McKee, the Board authorized Roger Croley to submit all tax reports required to Jefferson County, Texas.

Agenda Item No. 8: 2024 Certified Tax Roll. Mr. Croley was recognized and reviewed the Tax Roll Certification as presented by Jefferson County in the amount of \$248,260,929.00. After discussion and upon motion duly made by Director Knipple and seconded by Director Fenner, the Board approved the 2024 Certified Tax Roll as presented.

Agenda Item No. 9: Set preliminary 2024 maintenance and operation tax rate. The Board again recognized Mr. Croley who presented the Truth & Taxation Worksheet for calculation of the District's voter approved tax rate. Mr. Croley indicated the tax rate as calculated by the County was \$0.515921/\$100 valuation. After review and upon motion duly made by Director Knipple and seconded by Director Fenner, the Board unanimously approved sending the proposed 2024 maintenance and operation tax rate as presented.

Agenda Item No. 10: Set date and provide for publication of public hearing on proposed tax rate. The Board discussed the requirement to meet at the Community Center for the proposed tax rate hearing. It was agreed this public hearing should precede the meeting of the Board to discuss the tax issues and budget with residents and a separate Board meeting, if necessary, for operational issues. After discussion and upon motion duly made by Director Knipple and seconded by Director Fenner, the public hearing on the proposed tax rate was set for 6:00 p.m. on Tuesday, September 10, 2024.

Agenda Item No. 14: Administrative, financial and Board reports:

- **Monthly financial report.** The Board recognized Roger Croley who presented the monthly financial reports, and a detailed discussion followed on the continued issue between the billings from the City of Beaumont for water sold and the water sales in the District. Director Knipple restated that the District needed to engage the City of Beaumont and have the issue with the master meter resolved to ensure that the District and the City had accurate financial information. Legal counsel suggested that the Board review the current Water Contract with the City of Beaumont as he had provided along with his previous comments for proposed changes and that the Board provide comments which would be accumulated and presented for consideration and then presented to the City of Beaumont for consideration. After discussion of administrative issues and upon motion duly made by Director Fenner and seconded by President McKee, the Board provided approval as presented.
- **Administrative report.** See above.
- **Approval of checks.** None.

Agenda Item No. 15: Investment Policy. Legal counsel presented the Investment Policy, and there being no proposed changes, upon motion duly made by Director Fenner and seconded by Director Knipple, the Investment Policy was approved as presented.

Agenda Item No. 16: **Records Management Resolution.** Legal counsel noted the District had not in years updated and clarified its record management policies. After discussion and upon motion duly made by Director Fenner and seconded by Director Knupple, the Board adopted the record management schedules as presented by legal counsel.

Agenda Item No. 17: **Comments from Board Members.** None.

Agenda Item No. 18: **Adjournment.** There being no further business before the Board, the meeting was adjourned at 5:00 p.m.

**Northwest Forest Municipal Utility District**

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President

ATTEST:

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Secretary