

**MINUTES OF THE REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF  
NORTHWEST FOREST MUNICIPAL UTILITY DISTRICT  
HELD ON JULY 14, 2020**

The Board of Directors of the **NORTHWEST FOREST MUNICIPAL UTILITY DISTRICT** held a meeting on Tuesday, July 14, 2020, at 2370 Eastex Freeway, Beaumont, Texas.

Present were Mark McKee, Lisa Fenner, Kyle Knuppel and Robert Griffin. Also present were Paul Sweatt and Kate K. Leverett 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 4:01 p.m. by President McKee.

Agenda Item No. 2: Public Comments. None.

Agenda Item No. 3: Minutes. The Minutes of the meeting of June 9, 2020 were approved upon motion duly made by Director Fenner and seconded by Director Griffin.

**EXECUTIVE SESSION:** At 4:06 p.m., the Board adjourned the open meeting and went into executive session pursuant to §551.071 of the Texas Government Code. The Board adjourned executive session and returned to open session at 4:12 p.m.

Agenda Item No. 4: District utility system operational issues.

- **Report from utility operator.** Mr. Keel was not present at the meeting due to being quarantined. President McKee reported to the Board that the utility operator had conducted water samples, and there was nothing pressing to report.
- **Meter repairs.** No report.
- **Meter reading/disconnects.** No report.

Agenda Item No. 5: Utility system billing remittances and reconciliation corrections:

- **Customer service issues.** President McKee questioned whether receivables were applied properly and requested Suzie to explain why certain receivables were not applied on a specific day. Suzie explained that it was an oversight and receivable issue should have been corrected.
- **New service accounts.** No report.

Agenda Item No. 6: Pump issues. The Board recognized President McKee who informed the Board that he spoke to precision pump regarding the pump issues. The Board then recognized Director Knuppel who informed the Board he had spoken with Pemsco, and he would be contacting them regarding the trade in value of the pump.

Agenda Item No. 7: Water meter replacement project. The Board recognized President McKee who stated there was not an update on this project at this time.

Agenda Item No. 8: FEMA/Harvey Disaster Recovery Projects. The Board recognized President McKee who noted that the District was in the close out phase. President McKee had been in contact with the

FEMA representative regarding direct administrative costs and costs associated with the lift station and pump. Further, President McKee briefly discussed the audit process.

Agenda Item No. 9: 2020-2021 budget. The Board determined it would review the proposed budget, finalize and adopt at the August meeting.

Agenda Item No. 10: Submit tax rate reports to Jefferson County. The Board recognized legal counsel who explained that Jefferson County is requesting each taxing entity complete the new tax rate report. The report identifies the taxing authority of the governmental unit and the specific statute authorizing the entity to tax. Director Fenner moved to complete the form, and Director Knipple seconded the motion. The motion passed unanimously.

Agenda Item No. 11: Administrative, financial and Board reports.

- **Monthly financial report.** The Board recognized Mr. Sweatt who went over the monthly financial report. The Board reviewed the Profit & Loss Statement, the General Ledger and other financial information presented by Mr. Sweatt.
- **Investment Report.** See above.
- **Administrative Report (Sweatt & Ellsworth).** See above.

Agenda Item No. 12: Water and Sewer Use Order. The Board recognized Director Fenner who stated she had received the draft Water and Sewer Use Order from legal counsel. Director Fenner and the Board engaged in an extensive conversation regarding connection fees, service charges, reconnect and disconnect fees and nonrefundable administrative cost. The Board directed legal counsel to make the proposed changes and circulate to the Board to review and discuss at the August meeting. The Board engaged in discussion regarding how to inform customers of the new rates and charges in the Water and Sewer Use Order once adopted. No action was taken.

Agenda Item No. 13: Comments form Board Members. Director Knipple again noted the Board still had not set a committee to develop an internet site for the District.

Agenda Item No. 14: Adjournment. There being no further business before the Board, the meeting was adjourned at 5:49 p.m.

**Northwest Forest Municipal Utility District**

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President

ATTEST:

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Secretary