

Board of Supervisors  
Meeting Minutes  
January 30, 2017

Board Members Present:

Richard Jones, President  
Belinda Ross, Vice President  
Belva Hartsfield, Secretary-Treasurer  
Jemmie Hageon, Secretary Pro Tem  
Daryl Hart, Supervisor

Board Members Not Present:

N/A

ANRA Staff:

Kelley Holcomb, General Manager  
Dyan Stanford, Administration Division Manager  
Chris Key, Operations Division Manager

Guests:

Martha Holman  
Barbara Clarady

1. Call to order: Mr. Richard Jones called the meeting to order at 5:30 PM.
2. Confirm quorum: Mr. Jones declared a quorum present.
3. Invocation: Mr. Jemmie Hageon gave the invocation at the request of Mr. Jones.
4. Recognition of Guests: Ms. Martha Holman was recognized by the Board.
7. Consideration and Possible Approval of Requests for Credits/Changes to Customer Accounts:
  - B. Ms. Martha Holman, 489 Phil Jackson Rd. – Water Leak: Mrs. Dyan Stanford presented the Board with information regarding a leak that occurred at the residence located at 489 Phil Jackson Rd. Mr. Chris Key further elaborated that Ms.

Holman was granted an extension to pay her water bill, pending the outcome of this Board meeting today.

Mrs. Belinda Ross motioned to approve a credit for ½ of the total water charge of \$442.02 associated with Ms. Holman's bill, along with an allowance of 90 days for Ms. Holman to take care of the charges. Mr. Hageon seconded the motion. All members voted in favor and the motion was approved.

At 5:35 PM Mr. Daryl Hart arrived to the meeting and Ms. Holman left the meeting.

- A. Lufkin Property Management, 149 Jerri St. – Water Leak: Mrs. Stanford presented the Board with information regarding a leak that occurred at the residence located at 149 Jerri St., which was previously credited at the last Board meeting. A discussion occurred regarding rental properties and the responsibilities associated for both property owner and renter.

Mr. Hart motioned to approve a credit for ½ of the total water charge of \$120.62 associated with the bill for 149 Jerri St. Mr. Hageon seconded the motion. All members voted in favor so the motion was approved.

Mr. Hart questioned if Lufkin Property Management has asked before for assistance. A discussion occurred regarding the issuance of a higher deposit due to customers continually running up a high bill and then leaving service without paying their account balance.

Ms. Barbara Clarady arrived at 5:46 PM.

- C. Ms. Rita Maxie, 256 ID Henderson Rd. – Currently Water Only, Sewer Available Now: Mr. Kelley Holcomb explained to the Board that sewer is currently available for 256 ID Henderson Rd. However, Ms. Maxie is not connected to sewer, but instead utilizes a septic system. Mr. Holcomb noted that this condition has existed for twenty years or more. The Board previously approved a requirement that every customer within the District's boundaries must tie on to the District's sewer system, unless they are exempted through the District's preapproved process. The issue with the home at 256 ID Henderson Rd. is that it would require the sewage to be pumped uphill. Mr. Jones recommended that ANRA speak with Ms. Maxie regarding the issue. Mr. Holcomb responded that if Ms. Maxie uses a conventional septic system, it creates a problem. If she uses an aerobic system, then it could possibly be exempted. Mr. Holcomb agreed that he will have Mr. Key check into the issue and speak with Ms. Maxie. If a residential grinder station is needed, it could cost an additional \$1,500 to install.
- D. Mr. Eric Shankle, 4170 FM 2251 – Designate as Water Only Account: Mr. Holcomb noted that ANRA field staff verified that this property is a horse pen only, thus no habitable structure is on the property.

Mr. Hart motioned to approve the address of 4170 FM 2251 as a water only account, with a second by Mrs. Ross. All members voted in favor and the motion was approved.

5. Consideration and Approval of Meeting Minutes from September 6, 2016 Called Meeting: Mr. Hageon motioned to approve the minutes as presented, with a second by Mrs. Belva Hartsfield. All members voted in favor and the minutes were approved.
6. Consideration and Approval of Financials: Mr. Holcomb presented 4<sup>th</sup> quarter financial information for FY 2016, which is still unaudited at this time. Mr. Holcomb highlighted that the District received miscellaneous income through the sale of property required for a lift station, and those funds were then applied to the District's mortgage. More revenue was received for water than was budgeted at the beginning of the fiscal year. The net revenue overall for the District, which includes both water and sewer, was \$400.

Mrs. Ross motioned to approve the financials. Mr. Hart seconded the motion. All members voted in favor. The financials were approved.

8. Consideration and Approval of a change in the units of measure to be used to calculate customer water and sewer bills: Mr. Holcomb explained that this change had to be implemented when the District moved to a new utility billing software known as RVS. Mr. Holcomb noted that he is asking for ratification of this change. This change does not involve a rate change, but rather just in the calculation of water bills utilizing the same rate that was previously approved. Mr. Key explained the changes in how the meter is read and documented. Mr. Holcomb clarified that the District will not bill customers for what they have not used, such as through rounding up.

Mrs. Ross motioned to approve the calculation change as presented, with a second by Mr. Hageon. All members voted in favor and the motion passed.

9. Consideration and Approval of actions related to the District's Business Office located at 114 Mt. Pleasant Road:
  - A. Early payoff of the Adjustable Rate Commercial Loan with First Bank & Trust of East Texas: Mr. Holcomb noted that he has placed in the packet the information as to payoff as of February 1, 2017.
  - B. Authorize the replacement of the roof on the business office: Mr. Key noted that he solicited quotes from local roofing companies on the replacement of the District Office's roof. The issue he ran into was finding a contractor who is insured because local codes only require them to be licensed and bonded. Mr. Holcomb explained that M & M Roofing was the cheapest bid on the project and they have previously done work on Mr. Holcomb's Mom's house, and he was satisfied with their work.

Mrs. Stanford highlighted that the funds to pay off the mortgage, as well as replace the District Office's roof would come from the District's tax account.

Mrs. Ross provided a joint motion to pay off the District's loan with First Bank and Trust, as well as authorize the roof replacement to be done by M & M Roofing with the 30 year shingles. Mr. Hageon seconded the joint motion. All members voted in favor and the motion was approved.

Mr. Key noted that construction for the new sewer service began before Christmas and a ground breaking ceremony was held at the District Office. There are currently six crews assigned to the project. The current area of focus is on FM 2251. Mr. Holcomb highlighted that originally it was thought that Jackson Road customers would be the first ones activated. The current estimate is that no customers will be activated until at least June or July of 2017. Mr. Holcomb explained the process to order and receive approval on lift station equipment.

Ms. Clarady left the meeting at 6:21 PM.

10. Consideration and Approval of a Resolution authorizing a change in Depository Service Providers: Mrs. Stanford explained that with the payoff of the District's mortgage loan, a transfer of services to Regions Bank would be beneficial to have both of the District's accounts under the same service provider. This resolution also adds Chris Key as an authorized signer.

Mr. Hageon motioned to approve the resolution for depository services to be moved to Regions Bank and for the closure of the District's tax account through First Bank & Trust. Mr. Hart seconded the motion. All members voted in favor so the District's account with First Bank and Trust will be closed and moved to Regions Bank and Mr. Key will be added as a check signer.

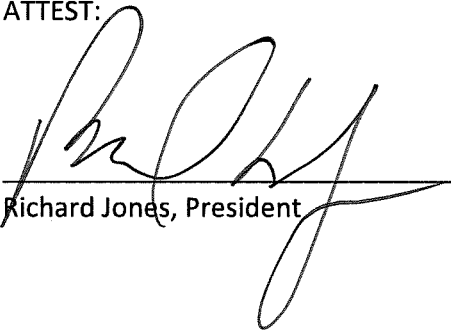
11. Consideration and Approval of a Petition and Order for the annexation of property located at 479 Jackson Road into the District: Mr. Key explained that the District was approached by the property owner at 479 Jackson Road regarding connection to the new sewer line for herself and her sister, who is moving a mobile home onto the property. Mr. Holcomb noted that Ms. McDaniel paid to connect the property. She paid a portion up front and continues to pay on the remaining balance monthly. This annexation will bring the property into the District's boundaries and allow these customers to get sewer service.

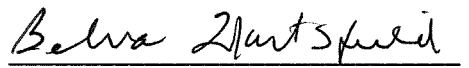
Mr. Hart motioned to approve the Order of annexation regarding the property located at 479 Jackson Road. Mr. Hageon seconded the motion. All members voted in favor and the motion was approved.

12. Establish Date, Time and Agenda Items for the Next Meeting: Mr. Holcomb noted that the next Board meeting will involve the FY 2016 Financial Audit. ANRA will be soliciting for audit services in the near future and that information will be presented at the next Board meeting.
13. Closure of Business: Mr. Jones adjourned the meeting at 6:41 PM.

APPROVED THIS 24<sup>th</sup> DAY OF March, 2017.

ATTEST:

  
Richard Jones, President

  
Belva Hartsfield, Secretary-Treasurer