

**Board of Supervisors  
Meeting Minutes  
April 26, 2019**

**Board Members Present:**

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

**Board Members Not Present:**

Daryl Hart, Supervisor

**ANRA Staff:**

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

**Guests:**

Daniel Rainey – Goff & Herrington

1. **Call to order:** Mr. Richard Jones called the meeting to order at 4:09 PM.
2. **Confirm Quorum:** Mr. Jones declared a quorum present.
3. **Invocation – Recognition of Guests:** Mrs. Belinda Ross gave the invocation at the request of Mr. Jones.
4. **Consideration and Approval of the minutes from the September 18, 2018 meeting:** Mrs. Ross motioned to approve the minutes as presented, with a second by Mrs. Belva Hartsfield. All members voted in favor and the minutes were approved.
5. **Consideration and Approval of financials:** Mrs. Dyan Stanford presented financials to the Board. The information was presented in a new format to help illustrate changes in what was spent versus what was budgeted. Mrs. Stanford highlighted that the District is growing and has had several new taps already this year. Mr. Chris Key agreed and responded that the District has seen six new tap requests since the year began. Board members noted their approval of the new layout in which financials are presented.

Mrs. Hartsfield motioned to approve the financials. Mrs. Ross seconded the motion. All members voted in favor, therefore the motion passed.

6. Consideration and Approval of the FY 2018 Annual Financial Audit: Mr. Kelley Holcomb introduced Mr. Daniel Rainey, an auditor with Goff & Herrington. Mr. Rainey provided an overview of the District's FY 2018 Financial Audit. Mrs. Hartsfield requested clarification as to bad debt, which Mrs. Stanford explained was when a customer leaves a bill owed on their account for longer than 90 days.

Mr. Jemmie Hageon arrived at 4:26 PM.

Mr. Rainey further explained the financial statements presented, along with the finding noted for not having completed and adopted the audit within the required 120 day time frame. ANRA and the District were aware of the finding and will be ensuring the audit for FY 2019 is completed within the required time frame.

Mrs. Ross motioned to approve the audit as presented, with a second by Mrs. Hartsfield. All members voted in favor and the audit was approved.

9. Consideration and Approval of the termination of Alexander, Lankford, & Heirs for the provision of accounting support services: Mr. Holcomb noted that the issues that have come up with working with Alexander, Lankford, & Heirs (ALH) have been related to response of ALH's staff to provide the work product discussed initially when contracted. Mr. Jones questioned Mr. Rainey if Goff & Herrington can meet the District's expectations, which Mr. Rainey assured Mr. Jones his firm can. Goff & Herrington knows about the District and its financial information.

Mrs. Hartsfield motioned to approve the termination of ALH, with a second by Mr. Hageon. All members voted in favor and the termination was approved.

10. Consideration and Approval of the engagement of Goff & Herrington for the provision of accounting support services: Mrs. Ross motioned to approve the engagement of Goff & Herrington for accounting support services. Mrs. Hartsfield seconded the motion. All members voted in favor and the engagement was approved.

Mr. Rainey left the meeting at 4:37 PM.

7. Consideration and Award of Bids for the Rivercrest Collection System Rehabilitation Project: Mr. Holcomb stated that no action is needed on this item. This project relates to repairs that are needed for the collection system at Rivercrest. The Texas Water Development Board (TWDB) controls the project process and currently the project's anticipated costs are at the threshold for requiring the solicitation of sealed bids. Mr. Key explained that the District is waiting on the TWDB to approve the bid packet.

8. Consideration and Approval of water and sewer rates for Oasis Mobile Home Park: Mr. Key noted that Oasis Mobile Home Park is a four phase project that will soon be requiring a water meter and manholes to be installed. The first phase will include 32 connections, the second phase will have an additional 32 connections, the third phase will include an additional 64 connections, and the last phase will add 102 connections, for a total of 230 connections once completed. Mr. Key explained the current rate structure for the District. Mr. Key noted that Oasis will begin being billed at a 3" meter rate and will be monitored so that when additional connections occur, their rate will be automatically adjusted to the next tier. Mr. Key stated that the rates being presented will be used for all heavy commercial customers as future growth occurs. Mr. Holcomb reminded the Board that definitions need to be established to delineate light commercial from heavy commercial.

Mrs. Hartsfield motioned to approve the heavy commercial rate structure being recommended to include the Oasis Mobile Home Park. Mrs. Ross seconded the motion. All members voted in favor and the motion carried.

11. Consideration and Approval to close the District's PO Box 821 and reroute all mail to 2901 N. John Redditt Drive: Mrs. Ross motioned to approve the closure of the District's PO Box, with a second by Mrs. Hartsfield. All members voted in favor and the motion passed.

12. Report on ongoing construction activities

- A. Rivercrest collection system improvements: Mr. Holcomb stated that this item has already been previously discussed. The District is under a compliance agreement with the Texas Commission on Environmental Quality (TCEQ). Under that agreement the District will make improvements to valves and controls within the system. The District hopes to update the control panels at the lift stations to include SCADA.
- B. Relocation of the water system point of entry and master meter: Mr. Key explained that the City of Lufkin installed a new water line but is waiting on the ground to finish drying out in order to complete the project. Mr. Holcomb stated that customers should not see any change in water service, but could see a small degree of increased pressure.

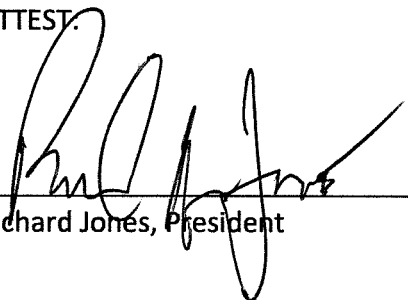
Mrs. Ross left the meeting at 5:05 PM.

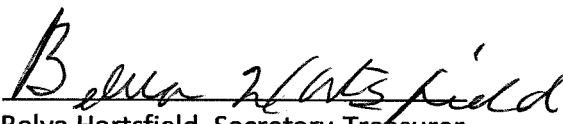
13. Closure of Business: Mr. Jones questioned what items will be coming up at the District's next Board Meeting. Mr. Holcomb responded that the tax rate will have to be discussed along with the FY 2020 budget in the coming Board meetings. July will probably be when the next meeting occurs. Mr. Holcomb highlighted that three Board members are up for election in May 2020. Mr. Holcomb closed with noting that the District is growing

as planned and that he will provide an updated boundary map at the next meeting. Mr. Jones closed the meeting at 5:11 PM.

APPROVED THIS 29<sup>th</sup> DAY OF August, 2019.

ATTEST.

  
Richard Jones, President

  
Belva Hartsfield, Secretary-Treasurer