



WEST-CENTRAL-TEXAS-MUNICIPAL-WATER-DISTRICT

410 Hickory Street, Abilene, TX 79601 · Phone 325-673-8254 · Fax 325-673-8272 · www.wctmwd.org

406th Meeting of the Board of Directors

STATE OF TEXAS COUNTIES OF: JONES,
SHACKELFORD, STEPHENS, TAYLOR,
EASTLAND, AND PALO PINTO

REGULAR MEETING
May 12, 2021 9:30 AM
ABILENE, TEXAS

DIRECTORS PRESENT

ABILENE

Russell Berry Norm Archibald
Sam Chase Dani Ramsay

ALBANY

ANSON

Keith Gilbert Rowland Foster

BRECKENRIDGE

Will Thompson Scott Harris
(Attended by Zoom)

DIRECTORS ABSENT

ABILENE

Ron Butler Joe Canon

ALBANY

David Cleveland Randall Palmore

ANSON

BRECKENRIDGE

STAFF AND OTHER GUESTS PRESENT

Chris Wingert, General Manager
Christy Ferguson, Admin. Services Manager
Ronnie Tilly, Assistant GM/Operations Mgr.
Blake Woodall, Planning and Dev. Mgr.
Tim Ennis, Priority Power Consultant
Mark Zachary, Attorney

Brooke Hatchett, Breckenridge Landowner
Wilson Wallace, Attorney for B. Hatchett
Colton Buckley, Breckenridge Econ Dev Corp
Hatchett Representatives attended via Zoom:
Ron Beard, Architect
Zack Jackson, Jackson Septic
James Schemmer, Engineer

Call to Order

Rowland Foster, Board President, called the 406th meeting of the West Central Texas Municipal Water District Board of Directors to order at 9:35 a.m. on Wednesday, May 12, 2021 in accordance with the statutes of the State of Texas. Mr. Foster verified that zoom

guests, Scott Harris, Ron Beard, Zack Jackson, and James Schemmer, all could see and been seen, hear and be heard, and able to participate in the meeting. A quorum was physically present with seven Directors attending in person and one Director attending via Zoom.

Public Comment

Mr. Foster opened the public comment period up at 9:37 a.m. and asked if anyone completed a request to speak form and no one responded. Mr. Foster closed the comment period at 9:37 a.m. since there were not comments offered.

Minutes

Mr. Foster stated that the Minutes from the prior meeting held February 10, 2021 (#405) need to be approved. Mr. Archibald made a motion to approve the minutes, Mr. Berry offered a second and the motion carried unanimously. Mr. Foster clarified that Mr. Harris voted to approve the minutes and Mr. Harris confirmed yes.

Consent Agenda

Mr. Foster asked for comments or concerns with the Consent Agenda items, which include:

- Financial Statements for November and December 2020 and January 2021.
- District's Contingency Fund Balance Sheet for the period ending March 31, 2021
- Quarterly Investment Report for the second quarter of Fiscal Year 2021 (six months ending March 31, 2021).
- Expense Vouchers for January, February, and March 2021.

Mr. Gilbert made a motion to approve the consent agenda as a whole. Mr. Chase offered a second and the motion carried unanimously.

Mr. Foster then asked the Board to consider moving two agenda items up in the meeting to accommodate guests present;

- Agenda Item 8b Contingency Fund Transfer for MP2 Energy February Ancillary Charges
- Agenda Item 4d Landowner Development Request

The Board agreed.

Agenda 8b: Contingency Fund Transfer for MP2 Energy February Ancillary Charges

Mr. Foster asked Mr. Wingert to offer a report on this agenda item. Mr. Wingert gave the Board a summary of the recent "February Freeze" event that impacted electric costs for everyone statewide. He said that the District's ancillary costs for February 2021 were over \$500,000. He gave an overview of what items make up total electric costs and the impact ancillary costs had on the February billing cycle. Mr. Wingert introduced Tim Ennis with Priority Power (who is the District's electric consultant) and asked him to please give his

presentation on power costs and the recent event that caused such excess fees. Mr. Ennis reviewed the contract that the District entered into with MP2 and the specifics of the contract. He also reviewed the reasoning behind ERCOT's rolling power outages and shutdowns. Mr. Ennis told the Board that since the District's ancillary costs are \$500,000, that MP2 is offering a payment plan to pay the amount out over 20 months. He also said that this payment plan would provide the District an opportunity to have that total amount reduced should the Texas Legislature approve a bill that requires reduction of such charges. Mr. Chase noted that Staff and Mr. Ennis need to verify the terms of the payment plan in that the amount due could be altered if such legislation were to pass. After Mr. Ennis' presentation, he had a question and answer session with the Board.

Mr. Wingert told the Board that Staff is recommending payment for the excess ancillary costs to be paid from the Contingency Fund since this is an unusual circumstance and since the member cities have been making contributions to this fund for such instances. After a question and answer session with Mr. Wingert regarding the request to use Contingency Funds, Mr. Archibald made a motion to allow Staff to transfer money from the Contingency Fund to the General Fund in an amount not to exceed \$516,000 and that such transfers will be made on a monthly basis in line with the MP2 Payment Plan monthly payment. Mr. Thompson offered a second and the motion carried unanimously.

Agenda 4b: Landowner Development Request

Mr. Wingert acknowledged that this agenda item is being moved to accommodate Brooke Hatchett along with her representatives for her proposed RV Development. Mrs. Hatchett's representatives attending in person are Wilson Wallace (Attorney) and Colton Buckley (Breckenridge Economic Development Corporation), and attending via Zoom are Ron Beard (Architect), Jim Schemmer (Engineer), and Zack Jackson (Jackson Septic). Mr. Wingert reviewed the Hatchett RV Development plans and stated that some of the requested information has not been received from Mrs. Hatchett. He then said that there are many concerns for the District including the stability of the levee, road access easements, water line easements, power line easements, and septic issues and permitting. After his summary of the plan and the District concerns, he recognized Mrs. Hatchett and asked her to please feel free to offer her comments on her proposed development. Mrs. Hatchett thanked the Board for allowing her and her representatives to be here today. Mr. Wallace and Mr. Buckley both offered comments of support for the project. Mrs. Hatchett stated that she was unsure of the septic concerns and would like to work with Staff on such issues and she asked Mr. Beard for his comments on the development since he is the Architect drafting the plans. Mr. Beard expressed his concern to comply with requests but also to help move this project forward and noted the positives of the project. He referenced that they are looking at three separate septic areas in order not to exceed the maximum allowed criteria. He answered questions the Board had about surveys, plans, and other details of the development.

Mr. Wingert told Mrs. Hatchett that the District will need the details of the survey and more details on the alignment of the utility lines. Mr. Schemmer offered his comments on the water lines and water pressure expected to be used and Mr. Jackson gave his comments in regards to RV septic requirements and guidelines. Mr. Foster told the group that it is the District's responsibility to protect the lake.

Mr. Zachary clarified that today's discussion is only that and that the Board cannot act or give guidance on how Mrs. Hatchett can proceed from this point on. Mrs. Hatchett and Mr. Wallace thanked the Board for their feedback today.

Development, Operations and Water Policy Committee Report

Quarterly Update of Outstanding CIP/MIP Projects

Mr. Wingert gave a report on the current outstanding CIP/MIP projects. He presented the update and stated that several of the projects have either been closed, completed, or are nearing completion.

No Board action is needed on this item.

Close Out Completed CIP/MIP Board Resolutions

Mr. Wingert stated that Staff has completed work on three CIP/MIP projects listed below:

- 2020-15 Risk and Resiliency Study
- 2021-01 Purchase ½ ton Pickup
- 2021-02 Purchase ½ ton Pickup

Mr. Foster stated that since a recommendation and motion to close the three projects listed above comes from the Operations Committee that a second is not needed. He asked the Board if they approve of closing the three projects and the Board voted unanimously to close the three projects listed above (2020-15, 2021-01, and 2021-02).

FY2022 CIP/MIP Project Discussion

Mr. Wingert gave the Board a summary of the proposed FY2022 CIP/MIP projects. He said that Staff would like to continue with cyclical purchases of pickup trucks to replace the aging and high mileage vehicles and to continue to update and replace computers and servers. Mr. Wingert highlighted the major project requests which include the last of the three phase MCC Replacement and financial software. He told the Board that Staff has recently had many issues with the current financial software in that it no longer provides some reporting that is needed for the audit and that customer service has failed to meet the needs of Staff when issues arise with the software. He stated that there are limited options for on site data storage for financial software but he believes that option is critical to protect the District's financial and personnel information.

No Board action is needed on this item.

Fireworks Display Request

Mr. Wingert told the Board that the Stowe's initially approached the Board back in the fall to host a New Year's Eve fireworks display but chose to cancel it due to COVID. He said that the Stowe's are now requesting permission to host a fireworks display for Breckenridge's 4th of July Boomfest.

Mr. Foster stated that the Operations Committee recommended and made a motion that the Board authorize the General Manager to execute a License Agreement with Stowe's Independent Services to lease the District's North Park to conduct a fireworks display in conjunction with the Breckenridge Chamber of Commerce's July 4th Boomfest Celebration. Mr. Foster asked for a vote and the Board approved unanimously.

Declare Surplus Property and Authorize Sale or Disposal

Before addressing this agenda item, Mr. Foster verified that Mr. Harris could still hear and see and participate in the meeting and Mr. Harris stated that yes he could.

Mr. Wingert referenced the surplus list in the book which includes high mileage vehicles and a trailer and stated that these items can be declared as surplus.

Mr. Foster stated that the Operations Committee recommended and made a motion that the Board declare the items listed on Page 4.26 of the Board book as surplus and authorize their disposal or sale and asked for a vote to do so and the Board voted unanimously to approve. Items on the surplus list include:

- 2006 Ford Truck
- 2008 Chevy Uplander
- 2010 Chevrolet 2500
- 2013 Ford F150
- 2013 Ford F150
- 2015 Dodge Ram 1500
- 2016 Chevrolet 1500
- Trailer

Finance, Personnel and Customer Service Committee Report

FY2022 General Fund Budget Discussion

Mr. Wingert highlighted key areas of the draft General Fund FY2022 Budget and noted that this draft is for discussion only in order to receive feedback for how to draft a final budget that will be presented to the Board in August.

- Salaries: Staff completed a salary survey and compared District salaries to other entities. Mr. Wingert showed the Board the results of the survey and with the exception of two positions, District salaries in line with similar entities.
- Benefits: the survey also revealed what other similar entities offer for holiday leave, paid time off, and personal time off as well as longevity, retirement, and health insurance. Mr. Wingert said that the District is a little low on what holidays are offered and that longevity is slightly lower, but overall the benefits the District offers are comparable to other similar entities.
- Water Use Estimates: Mr. Wingert said that member cities increased their water use estimates for FY2022 and that in turn increased the budget.
- TCDRS: this rate is increasing for FY2022 due to the 2020 economic losses. Mr. Wingert reviewed the historical TCDRS rates and costs to the District.

Mr. Wingert reviewed the FY2022 General Fund Draft Budget and stated that these numbers will be finalized over the summer after Staff receives health insurance numbers and after salaries and other items can be reviewed and adjusted. He said that this budget is in line with other budgets prior to FY2021 in that FY2021 was an unusual budget year in which the District drastically lowered the budget to assist the member cities with losses sustained due to the COVID19 pandemic. He reminded the Board that this is for discussion only and no Board action is needed.

Financial Auditor Requests for Proposals

Mr. Wingert informed the Board they authorized Staff to solicit proposals for Financial Auditors to perform the financial audits for Fiscal Years ending 2021, 2022, and 2023 at the February meeting. He told the Board that four firms submitted proposals and that of the four, Staff recommends contracting with Eide Bailly, LLP of Abilene due to their experience with the District audits, for their staff education and experience, and for the other items they offer staff such as free webinars and trainings.

Mr. Gilbert made a motion that the Board authorize the General Manager to execute a contract with Eide Bailly, LLP to perform the financial audits for FY2021, 2022, and 2023. Mr. Berry offered a second and the motion approved unanimously.

Executive Session: 551.074 of the TX Open Meetings Act

Personnel Matters

Mr. Foster stated that the Board will now convene in a closed, Executive Session under Sections 551.074 of the Texas Open Meetings Act at 12:00 pm.

The Board reconvened in open session at 12:30 pm and Mr. Foster stated that no action was taken during the Executive Session.

Mr. Chase had to leave the meeting at 12:40 p.m. and a quorum was still present.

President's/Officer's Report

Appointment of Board Members, Bonds, Oaths of Office

Mark Zachary administered the Oath of Office to Keith Gilbert and Will Thompson. Mr. Wingert then reported that Mr. Cleveland was unable to be here today but that the City of Albany reappointed him to the Board. Mr. Wingert also told the Board that the Abilene City Council will vote tomorrow (May 13, 2021) to reappoint Mr. Archibald and Mr. Berry and to appoint Mr. Robert Benham to replace Mr. Butler who resigned from the Board.

Nominating Committee Report and Election of Officers

Mr. Foster asked for Mr. Berry to make the Nominating Committee report. Mr. Berry stated that he served as Chair of the Nominating Committee and thanked Mr. Gilbert and Mr. Harris for their assistance and willingness to serve on the Committee as well. Mr. Berry reported that they are recommending that the current slate of Officers remain to serve from June 1, 2021 to May 31, 2022. The Board agreed and the current Officers will serve one more year.

- Rowland Foster – President
- Norm Archibald – Vice President
- Russell Berry – Treasurer
- Scott Harris – Assistant Treasurer
- David Cleveland – Secretary
- Sam Chase – Assistant Secretary

Resolution of Recognition

Mr. Foster stated that Mr. Ron Butler served for 12 years on the Board and asked for any comments on the Resolution of Recognition included in the Board book.

Mr. Berry made a motion to approve the Resolution of Recognition for Ron Butler, Mrs. Ramsay offered a second and the motion carried unanimously.

General Manager Evaluation

The Board did not address this agenda item.

Manager's/Staff Report

Water Supplies & Projections

Mr. Wingert reviewed current water supplies and projections and stated that Hubbard Creek Reservoir is currently in good shape.

No Board action needed.

Donnie Sechrest Property Lease

Mr. Wingert told the Board that Mr. Sechrest's lease of .32 acres of District property to construct and repair docks will end on December 31, 2021. He stated that he expects Mr. Sechrest to attend the August meeting and ask for an extension and then he showed the Board pictures of the area as he discussed a few issues that Staff has had with Mr. Sechrest.

No Board action needed.

District Equipment Loss

Mr. Wingert informed the Board that the Anson Pump Station area was burglarized and that mowers, trailers, and various equipment were stolen. He said that Staff has filed an insurance claim and that estimated total loss is around \$30,000.

No Board action needed.

WCBWDS Issues and Maintenance Activities

Mr. Wingert reviewed a few of the items Staff is working on.

No Board action needed.

Travel and Training Report

Mr. Wingert referenced the report in the book showing training opportunities and conferences that Staff has taken part in this quarter. He said that some trainings are beginning to open up to in person trainings.

No Board action needed

Staff Vacancies

Mr. Wingert referenced the organization chart in the Board book and noted that the District has one vacancy at this time in the Abilene office for a Records/HR Assistant and that as of tomorrow, the Breckenridge crew will have a vacancy due to the retirement of Joey Venekamp

from the Pumping crew. He said that Staff is accepting applications and hopes to begin interviewing candidates soon.

Other Significant Issues

Mr. Wingert told the Board that one issue has come up regarding the Bob Clark Pavilion Rental. He said that Terry Cobb would like to rent the area for five consecutive weekends from June to July and that he will be providing food to folks participating in the fishing tournaments. Mr. Wingert asked the Board's thoughts on the rental and about considering a commercial lease since Mr. Cobb will be selling food. The Board agreed that Staff could allow Mr. Cobb to rent the area as requested.

There being no further business before the Board, the 406th meeting adjourned at 12:50 p.m.

Approved this 25 day of August, 2021.



Rowland Foster, Board President



Sam Chase, Asst Board Secretary