



WEST-CENTRAL TEXAS MUNICIPAL WATER DISTRICT

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425th Meeting of the Board of Directors

STATE OF TEXAS COUNTIES OF: JONES, SHACKELFORD, STEPHENS, TAYLOR, EASTLAND, AND PALO PINTO		REGULAR MEETING May 21, 2025, 9:30 AM ABILENE, TEXAS	
<u>DIRECTORS PRESENT</u>		<u>DIRECTORS ABSENT</u>	
<u>ABILENE</u>		<u>ABILENE</u>	
Norm Archibald	Bob Benham		
Sam Chase	Dani Ramsay		
Russell Berry	Anthony Williams		
<u>ALBANY</u>		<u>ALBANY</u>	
Randall Palmore	David Cleveland		
<u>ANSON</u>		<u>ANSON</u>	
Rowland Foster	Bob Herndon		
<u>BRECKENRIDGE</u>		<u>BRECKENRIDGE</u>	
Will Thompson	Scott Harris		
<u>STAFF AND OTHER GUESTS PRESENT</u>			
Brian Yates, General Manager		Mark Zachary, Attorney	
Ronnie Tilly, Asst. GM/Operations Mgr.		Jeremy Walker, GIS Specialist	
Christy Ferguson, Admin Svcs. Manager		Debbie Strayer, Finance/Admin. Specialist	
Blake Woodall, Planning & Dev. Mgr.		Dawn Blankley, HR/Payroll Mgr.	
Keith McLane, Asst Ops. Mgr./Maint. Super.			

Call to Order

President Scott Harris called the 425th meeting of the West Central Texas Municipal Water District Board of Directors to order at 9:34 a.m. on Wednesday, May 21, 2025, in accordance with the statutes of the State of Texas. A quorum was present.

Public Comment

President Harris opened the public comment period at 9:34 am and stated that no one was in attendance for public comments, so he closed it at 9:34 am. President Harris then chose to move to the next agenda item which is the Consent Agenda.

Consent Agenda

President Harris asked for comments or concerns with the Consent Agenda items, which include:

- Minutes from the 424th Board Meeting
- Financial Statements for February and March 2025
- Quarterly Investment Report for FY2025 as of March 31, 2025
- Disbursement Reports for March and April 2025
- Travel and Training Report covering March and April 2025

Mr. Archibald motioned to approve the Consent Agenda as a whole. Mr. Berry offered a second and the motion carried unanimously.

Regular Agenda

Current Water Supplies & Projections

Mr. Yates updated the Board on current HCR levels and noted that as of May 14th the lake was 49.5% full.

No Board action is needed.

Public Notice of Violation

Mr. Yates discussed with the Board that TCEQ (Texas Commission on Environmental Quality) requires that an inventory of all service lines connected to public water distribution systems be conducted in order to identify old supply lines that may contain lead and that the deadline to submit an inventory report to TCEQ was October 16, 2024. Mr. Yates explained that the District does not have service lines that meet this requirement. He said that TCEQ sent a notification regarding this issue to Mr. Wingert's email address before he retired and that he did not receive the email and was unaware of the requirement and missed the reporting deadline. He stated that TCEQ issued two violations to the District since this information was

not reported by the deadline. Mr. Yates informed the Board that all the required information has now been submitted to TCEQ and the District has been cleared of the violations and has returned to full compliance status. Mr. Yates further explained TCEQ requires a Public Notice of Violation to inform customers of the issue. He said that since the District does not have any service line customers to notify, TCEQ agreed it would be sufficient to notify the City Managers of each member city and to present the notice at a public Board meeting of which is being done today.

No Board action is needed.

Surplus Property

Mr. Yates told the Board that Staff has identified items that have either been replaced or no longer required and would like the Board to declare these items as surplus property. He stated that proposed surplus items include two pickups, miscellaneous electronic equipment, and sandblasting equipment and he asked the Board to please see the complete list that is included in the Board packet.

Mr. Benham made a motion to declare the items listed in the Board packet as surplus items and authorize the disposal or sale of these items. Mr. Palmore offered a second and the motion carried unanimously.

4th of July Celebration

Mr. Yates updated the Board on the annual celebration for the 4th of July at Hubbard Creek Reservoir and noted that this year, the Breckenridge Chamber of Commerce is planning to have a drone show of lights at Corley's ramp instead of a fireworks display. He told the Board that this celebration comes at no cost to the District and the Chamber will provide security and will make sure that the area is cleaned up afterwards.

No Board action is needed.

Hubbard Direct-Use Fee Resolution

Mr. Yates told the Board that Staff identified a specific set of customers for which the approved rate structure recently adopted by the Board is not appropriate. Mr. Yates stated that lake lot owners and direct irrigation customers use water that is not delivered through District infrastructure and that the District grants access to water from Hubbard Creek Reservoir for such customers and incurs no cost to deliver the water. Mr. Yates said that since the cost of pumping and transporting the water is borne by the customer, then they should not be billed at the rates that our other customers are charged. He highlighted the current fees for lake lot customers in that the fees average \$150 per year to access up to one acre foot per year and this translates to \$0.46 per 1,000 gallons. He then stated that the current irrigation fee is \$75 per acre foot used or \$0.23 per 1,000 gallons and that irrigation customers provide their own meters which are read monthly by District personnel. Mr. Yates told the Board that

Staff recommends standardizing the rate for Direct-Use customers and recommends a rate of \$0.46 per 1,000 gallons.

Mr. Archibald made a motion the Board to approve the Resolution standardizing the rate for Direct-Use water customers at \$0.46 per 1,000 gallons. Mr. Williams offered a second and the motion carried with Mr. Thompson abstaining from voting.

Bank Signature Resolutions

Mr. Yates addressed the Board and stated that due to personnel changes, signature cards at several banks will need to be updated.

Clear Fork Bank Signature Resolution

Mr. Archibald made a motion to approve the Resolution authorizing signature changes for Clear Fork Bank. Mr. Benham offered a second and the motion carried unanimously.

First Financial Bank Signature Resolution

Mr. Berry made a motion to approve the Resolution authorizing signature changes at First Financial Bank. Mrs. Ramsay offered a second and the motion carried unanimously.

Medical Flex Account Resolution

Mr. Palmore made a motion to approve the Resolution for signature changes on the Medical Flex account. Mr. Archibald offered a second and the motion carried unanimously.

Future Intentions Resolution

Mr. Yates discussed with the Board the purpose of the Future Intentions Resolution included in the Board packet. He stated that a request was made by BASA for this resolution due to their need to justify asset valuation with their financial transactions and that this need is dependent on availability of water. Mr. Yates noted that the District intends to take all reasonable steps to secure water rights and quantities to provide for the current and future needs of both the Member Cities and pipeline customers. Mr. Yates asked the Board if they had any questions and Mr. Foster asked if member cities do not receive water then would the pipeline customers not have access to water as well. Mr. Yates assured the Board that the new Pipeline Customer Service Agreement approved at the last meeting includes a section that addresses that if a member city does not receive water, then the pipeline customer will not receive water as well.

Mr. Williams made a motion to approve the Future Intentions Resolution. Mr. Berry offered a second and the motion carried unanimously.

Budget Requirements for Contingency Fund

Mr. Yates told the Board that the District has a Contingency Fund that is available for emergency expenses should they arise. He stated that most municipalities maintain a fund balance to cover three to six months of operating expenses and that the balance in this fund far exceeds that standard. Mr. Yates suggested to use each annual budget to set the minimum balance for the Contingency Fund each year with the amount equal to the sum of the Standby and Operations expenses. Mr. Yates said there is no need to maintain a reserve for electric charges as they are simply a pass-through charge. He noted that the current fund balance could be reduced to a conservative balance to cover expenses for one year and that this would allow moving funds to the Infrastructure Fund for improvements to the SCADA system which is becoming obsolete. Mr. Yates asked for feedback from the Board and after discussion, the consensus was to keep a one-year reserve in the Contingency Fund and he stated that this change can be approved at a later meeting when the FY2026 Budget is reviewed.

No Board action.

Executive Session

President Harris announced the Board will enter Executive Session at 10:48 am. He identified the sections of Chapter 551 of the Texas Government Code to be considered as those sections included on the agenda.

The Board opened in General Session at 11:43 am.

No Board action was taken.

Director Appointments and Oaths

Mr. Zachary administered Oaths of Office for Mr. Benham, Mr. Berry, Mr. Herndon, Mr. Archibald, Mr. Thompson, and Mr. Cleveland.

Board Officer Appointments

The Committee on Board Officer appointments recommends the following Officer appointments beginning June 1, 2025, for one year.

President-Scott Harris
Vice President-Sam Chase
Treasurer-Randall Palmore
Secretary-Rowland Foster
Assistant Treasurer-Bob Benham
Assistant Secretary-Dani Ramsay

The Committee made their recommendation as a motion; Mr. Archibald offered a second and the motion carried unanimously.

425th Meeting of the
Board of Directors

There being no further business before the Board, the 425th meeting adjourned at 11:46 am.

Approved this 30th day of July, 2025.

Scott Harris
Scott Harris, Board President

Rowland Foster
Rowland Foster, Board Secretary