

**SOMERVELL COUNTY WATER DISTRICT  
MINUTES OF BOARD MEETING**

**June 12, 2023**

**Members Present:** Lee Magee, Karen Richardson, Kevin Morgan, Maurice English, Ben Mieth, Larry Fleming, Nemo Britton

**Members Absent:** None

**Also present:** Kevin Taylor, John Flippen, Kim Daniels, Wes Rollen

President Mieth called meeting to order at 8:00 a.m.

**PUBLIC COMMENTS**

**CONSENT AGENDA**

The minutes of May 8<sup>th</sup>, 2023 were presented along with the Valley View Consulting Agreement and SCAD Budget. A motion was made by Karen Richardson and seconded by Kevin Morgan to approve the Consent Agenda as presented. Motion carried.

<b>Resolution:</b> The Board approved the Consent Agenda as presented. (Res. #23-16)
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**EXECUTIVE SESSION**

Update on potential litigation from CAD Chief Appraiser, Wes Rollen

Time in: 8:01am

Time out: 8:37am

**2023-2024 Budget Discussion**

The first draft of the 2023-2024 was presented to the Board by Kevin Taylor. The budget was discussed in detail and will be presented in the July meeting for approval.

**SOLICITATION OF ADDITIONAL BONDS**

The SCWD has been planning to spend reserves to pay for the treatment plant upgrades that are currently underway. Recent developments with regard to Luminant plant values are indicating that plant values could plummet in 2024 to the lowest rate ever. The prospect of enduring a low plant value period with low reserves has caused staff to reconsider paying for the treatment plant upgrades with reserves. The District still has 18.5 million dollars in Bond approval authority from our last bond election that was left as a backup for any additional infrastructure funding that might be necessary. Staff recommends using 9 million of the remaining 18.5 million bond approved for the ongoing project. The General Manager is of the opinion this would be a better option at this time rather than spending most of our reserves with potential low Luminant values coming next year.

A motion was made by Lee Magee and seconded by Nemo Britton. Motion carried.

**Resolution:** The Board authorized the General Manager to have Hilltop Securities solicit “Bank Qualified” Bond quotes to be considered in the July meeting. (Res. #23-17)

**2022-2023 BUDGET AMENDMENTS**

Kathy Brown officially retired at the first of the year prompting the District to hire an Administrative Assistant position to cover the loss. A budget amendment is necessary to account for the expense of the new full time position.

5000.10 Admin Salaries -	\$29,400.00
5000.20 Admin Payroll Tax -	\$ 2,400.00
5000.30 Admin Health Ins. -	\$ 6,000.00
5000.35 Admin Pension -	\$ 4,650.00
5003.00 Admin Cell -	\$ 360.00

A motion was made by Nemo Britton and seconded by Larry Fleming. Motion carried.

**Resolution:** The Board authorized the General Manager to perform the 2022-2023 budget amendments as presented. (Res. #23-18)

**PAY SCALE AND PERSONAL LEAVE BENEFITS**

The inflation we are experiencing has increased the cost of living again this year by at least 4.9 percent depending on which indicators we look at. I would like to put in place a cost of living increase to the existing non-exempt salary chart to give some immediate relief to our hourly employees. Staff is recommending a 3% cost of living increase to all employees of the District. Nemo thought the board should do 5% and after some discussion a 5% increase was voted on.

A motion was made by Lee Magee and seconded by Larry Fleming. Motion carried.

**Resolution:** The Board authorized the General Manager to implement a 5% cost of living increase to the existing non-exempt pay scale as well as a cost of living increase to non-hourly employees. (Res. #23-19)

**HIDDEN VALLEY RANCH SUBDIVISION**

Hidden Valley Subdivision in the southern part of the County on CR 2008 was developed with the intention of using ground water as the primary water source. In anticipation of SCWD water meter requests, District staff would like to get a policy decision from the Board regarding the seven lots within the subdivision that have frontage on CR 2008 and direct access to the District’s water line. All other lots within the interior of the subdivision will be denied service due to the decision by the subdivision developer to opt out of using SCWD water. Karen recommended doing one vote that would cover future subdivisions with direct water line access also, but John Flippen thought each subdivision should be looked at individually.

A motion was made by Larry Fleming and seconded by Nemo Britton. Motion carried.

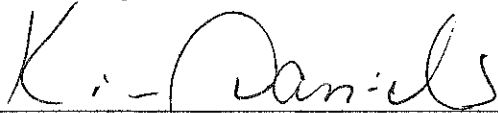
**Resolution:** The Board authorized the District Staff to sell and set water meters on the seven lots that have frontage on CR 2008 that have direct access to the District’s water line. (Res. #23-18)

**GENERAL MANAGERS REPORT**

Kevin Taylor presented the following items to the board:

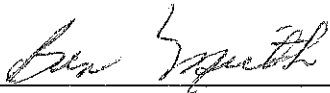
Update on Treatment Plant Contractor RFP  
2023 Firework Show Report  
Report on Reservoir Level  
Water Line Extension Update  
Bank Account Report  
Water Usage Report  
Park Attendance Report  
Monthly Financial Reports and Bank Statements

No further business was brought to the table. Motion was made by Larry Fleming and seconded by Nemo Britton to adjourn. Motion carried and meeting adjourned at 9:22am.



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Kim Daniels, Assistant Secretary

Approved this 10th day of July, 2023



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President, Somervell County Water District