

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

**August 12, 2024**

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

**Members Absent:** Tommy Gibson

**Also present:** Kevin Taylor, Kim Daniels, John Flippen, Josh Berryhill

President Britton called meeting to order at 8a.m.

**PUBLIC HEARING ON 2024-2025 BUDGET**

No public present

**PUBLIC COMMENTS**

No public present

**CONSENT AGENDA**

The General Manager presented the minutes of June 10<sup>th</sup>. A motion was made by Karen Richardson and seconded by Lee Magee to approve the Consent Agenda items as presented. Motion carried.

<b>Resolution:</b> The board approved the Consent Agenda as presented. (Res. #24-21)
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**CMAR EQUIPMENT CONTRACT AWARD**

Josh Berryhill from EHT gave a report on the RFP results for the THM Stripping System, Chlorine Dioxide System, Chlorine System, Chemical Feed System and the Static Mixers. The FRP Buildings, Chemical Bulk Tank, Membrane Filtration and Mixes/Pumps are still being reviewed.

**APPROVAL OF 2024-2025 SCWD BUDGET**

The General Manager presented the 2024-2025 budget for board members to review. The annual 1% COLA was included in the budget and approved for the TCDRS retirees. After some discussion a motion was made by Larry Fleming and seconded by Maurice English to approve the budget as presented. Motion carried.

<b>Resolution:</b> The Board approved the 2024-2025 SCWD budget as presented. (Res. #24-24)
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**2024 PROPOSED TAX RATE**

Last year's tax rate of .129 raised the District \$4,986,202 from a total tax value of \$3,965,531,539. This year's preliminary taxable value is up \$541,628,972 to \$4,507,160,511. The District will generate approximately \$512,534 more revenue than last year by lowering our tax rate to .122. The breakdown between the M&O rate and the I&S rate is:

M&O .066

I & S .056

A motion to approve the proposed tax rate of .122 was made by Lee Magee and seconded by Larry Fleming. Motion carried.

**Resolution:** The Board approved the proposed tax rate of .122 (M&O .066 and I&S .056) and set the public hearing on the proposed tax rate on September 9, 2024 at 8:00 am. (Res. #24-25)

**PROCUREMENT POLICY REVISIONS**

Currently the District's procurement policy requires public bidding on all contracts in excess of \$75,000. House Bill 3507 of the 88th Legislature changed the public bidding limit from \$75,000 to \$150,000. This action will allow for more flexibility for the District in expediting the District's ability to extend water service to its rural water customers and award portions of the current CMAR contract with BAR Construction. Attached is the bill and the draft procurement policy with the proposed changes red lined. The policy of all contracts over \$50,000 requiring Board approval has been left the same in the proposed draft.

A motion was made by Lee Magee and seconded by Kevin Morgan. Motion carried.

**Resolution:** Somervell County Water District Board of Directors authorize the General Manager to make the recommended changes to the District's procurement policy raising the public bidding limit to \$150,000. (Res. #24-22)

**WATER RATE INCREASE**

The Somervell County Water District began selling water in the fall of 2011 starting with no residential customers. Our initial water rate of \$2.00 per thousand was intentionally set low to attract customers to our original 60 miles of new distribution system and to encourage groundwater users to utilize surface water. Over the last 14 years we have averaged a little over 100 customers per year and started 2024 with over 1250 customers. The District increased its retail rates 50 cents per thousand in 2021 and again in 2023 by 25 cents to stay in line with area rates.

District staff has proposed raising retail rates another 15% per thousand in an effort to keep up with inflation and attempt to recover 100% of production costs which were \$3.18 per thousand in fiscal year 2023. This is the same increase already approved this year by the SCWD Board of Directors for the City of Glen Rose wholesale rate.

A motion was made by Karen Richardson and seconded by Lee Magee. Motion carried.

**Resolution:** Somervell County Water District Board of Directors adopt the proposed new rate schedule with a 15% increase effective 10-1-24 and direct the General Manager to make proper notification to water district customers regarding the rate increase. (Res. #24-23)

**EXECUTIVE SESSION: Attorney Consultation and Deliberation about Real Property**

Time In: 8:46am  
Time Out: 9:16am

**INDUSTRIAL WATER**

Action taken from executive session discussion.

Lee Magee made a motion to not commit to any additional industrial water usage over our current commitment of 50 acre ft. and Larry Fleming seconded the motion. Maurice English was opposed with all others in attendance in favor.

**Resolution:** The Somervell County Water District Board voted to not increase industrial water usage over 50 acre ft. (Res. #24-27)

**NAMING BARNARD STREET PARK**

After a brief discussion the board agreed to name the park, Paluxy Park.

A motion was made by Larry Fleming and seconded by Lee Magee to approve naming the park, Paluxy Park. Motion carried.

**Resolution:** The Somervell County Water District Board approved naming the park on Barnard Street, Paluxy Park. (Res. #24-26)

**GENERAL MANAGERS REPORT**

Kevin Taylor presented the following items to the board:

Timeline Update on Wheeler Branch Bridge Installation  
Firework Show Report  
Water Line Extension Update  
Bank Account Report  
Water Usage Report  
Park Attendance Report  
Quarterly Financial Report  
Monthly Financial Reports and Bank Statements

No further business was brought to the table. Motion was made by Larry Fleming and seconded by Maurice English to adjourn. Motion carried and meeting adjourned at 9:24a.m.

  
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Kim Daniels, Assistant Secretary

Approved this 9th day of September, 2024

  
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Reece Butler  
President, Somervell County Water District