



WEST-CENTRAL-TEXAS-MUNICIPAL-WATER-DISTRICT

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415th Meeting of the Board of Directors

STATE OF TEXAS COUNTIES OF: JONES, SHACKELFORD, STEPHENS, TAYLOR, EASTLAND, AND PALO PINTO	SPECIAL CALLED MEETING June 28, 2023 9:30 AM ABILENE, TEXAS
<p style="text-align: center;"><u>DIRECTORS PRESENT</u></p> <p style="text-align: center;"><u>ABILENE</u></p> <p>Joe Canon Bob Benham Sam Chase Norm Archibald</p> <p style="text-align: center;"><u>ALBANY</u></p> <p>Randall Palmore David Cleveland</p> <p style="text-align: center;"><u>ANSON</u></p> <p>Rowland Foster</p> <p style="text-align: center;"><u>BRECKENRIDGE</u></p> <p>Scott Harris Will Thompson</p>	<p style="text-align: center;"><u>DIRECTORS ABSENT</u></p> <p style="text-align: center;"><u>ABILENE</u></p> <p>Dani Ramsay Russell Berry</p> <p style="text-align: center;"><u>ALBANY</u></p> <p style="text-align: center;"><u>ANSON</u></p> <p>Keith Gilbert</p> <p style="text-align: center;"><u>BRECKENRIDGE</u></p>
<u>STAFF AND OTHER GUESTS PRESENT</u>	
<p>Chris Wingert, General Manager Christy Ferguson, Admin. Services Manager Debbie Strayer, Admin/Finance Specialist</p>	<p>Mark Zachary, Attorney</p>

Call to Order

President Norm Archibald called the 415th meeting of the West Central Texas Municipal Water District Board of Directors to order at 9:34 a.m. on Wednesday June 28, 2023 in accordance with the statutes of the State of Texas. A quorum was present.

Public Comment

President Archibald opened up the Public Comment period at 9:35 am and asked for any comments. Since there were no comments, Mr. Archibald closed the Public Comment period at 9:35 am.

Raw Water Sale

President Archibald stated the next item on the agenda for the Board to discuss is Item 2a Standard Shell for Large Volume Oilfield Sales. Mr. Archibald stated that Mr. Harris has notified him that he will abstain from voting on this agenda item and Mr. Harris confirmed.

Mr. Wingert addressed the Board and explained how the District has sold water for oilfield drilling for several years. He noted that recently, the District received a request to sell water in large quantities for oil well enhancement. Mr. Wingert went on to describe the pros and cons of such potential sales. Mr. Wingert said that he would like the Board to consider approving the draft Large Water Oilfield Sales Agreement shown on pages 2.01-2.07 in the Board book.

Mark Zachary requested that the Board enter into Executive Session at their discretion to discuss a few items relating to this draft contract shell. The Board agreed.

Executive Session

President Archibald stated that the Board of Directors of the West Central Texas Municipal Water District will now convene in a closed, Executive Session beginning at 9:40 am in accordance with the Texas Open Meetings Act for the following sections:

Section 551.071: Consultation with Attorney
(Standard Shell for Large Volume Oil Field Sales)

Section 551.071: Consultation with Attorney
(Brazos River Exploration Agreement)

Sections 551.071 and 551.072: Consultation with Attorney
(Real Property Lease in Eastland County, Texas)

Section 551.071: Consultation with Attorney
(ROW Easements and Water Use Agreements on the West Central Brazos Distribution System Pipeline)

The Board reconvened at 10:47 am. President Archibald stated that no action was taken during Executive Session.

**Appointment of an Executive Personnel Search Committee and
Requests for Qualifications for an Executive Personnel Search**

President Archibald asked the Board to address agenda item 3 at this time. Mr. Archibald reminded the Board that Mr. Wingert plans to retire in September 2024 and explained that he would like for the Board to consider the appointment of an Executive Search Committee to be involved in the search for a new General Manager and for the Board to consider use of a firm to assist with the search. Mr. Archibald recommended appointment of a committee made up of past Chairmen of the Board to be involved with the search process. He explained that the search committee would be responsible for interviewing candidates and bringing back a recommendation to the full Board of finalists for the position.

Mr. Archibald nominated Rowland Foster, Joe Canon, Scott Harris (incoming chair), Russell Berry, Randall Palmore and himself to review responses to the Requests for Qualifications (RFQ) to find a firm to assist with the General Manager search (should the Board choose to do so) and to work with the firm that will be awarded this task. He stated the Committee would also be responsible for narrowing the list of candidates that the full Board should interview and consider for employment. The Board agreed with his recommendation for committee members.

Mr. Archibald then stated that the Board can consider the Requests for Qualifications for an Executive Personnel Search firm (RFQ) to assist with the search for a new General Manager. He noted that a draft RFQ is included in the Board book for review. Mr. Archibald stated that such firms are knowledgeable about the labor market and can be very helpful in doing background checks and reviewing applications and resumes and can help make the committee's search a little easier. Mr. Archibald offered experiences he has had with search firms that assisted with the City of Abilene's searches for city managers.

Mr. Chase recommended that the committee consider having a minimum of three candidates for the Board to interview and consider for employment.

Mr. Thompson made a motion that the Board authorize the General Manager to take Requests for Qualifications for an Executive Personnel Search Firm and begin the search for a new General Manager. Mr. Harris offered a second and the motion passed unanimously.

Formal Action on the Items Discussed in Executive Session

President Archibald asked the Board to address agenda items 2a and 2b which includes the Standard Shell for Large Volume Oil Field Sales and an Agreement with Brazos River Exploration, LLC, which includes a request for such water. Mr. Archibald noted that Mr. Harris is abstaining from voting on these agenda items. Mr. Archibald told the Board that there is one suggested correction on pages 2.01 and 2.08 to remove the words "connection with the drilling" and replace with the wording "increasing the production".

Mr. Benham made a motion to approve the Standard Agreement with the noted correction to be used by the District in the future. Mr. Chase offered a second and the motion carried with Mr. Harris abstaining from the vote.

President Archibald moved to Item 2b addressing a possible Large Volume Oil Field Water Sales Agreement ("Agreement") with Brazos River Exploration LLC out of Houston Texas for water to be used for fracking purposes. Mr. Archibald noted that Staff will use the Standard Agreement approved earlier and asked the Board to consider approval of an Agreement with Brazos Exploration and he also asked if there were any questions regarding the Agreement.

Mr. Canon asked if the District could request drilling reports as the company conducts this operation. Mr. Wingert said he would recommend not adding wording to the Agreement but he could request the reports when the Agreement is signed. Mr. Wingert also clarified that the water would be metered. Mr. Chase made a motion to approve a Large Volume Oil Field Water Sales Agreement between Brazos River Exploration, LLC and the District. Mr. Canon offered a second and the motion carried unanimously. Mr. Harris abstained from voting.

Mr. Archibald directed the Board to address item 4c Consultation with Attorney regarding a real property lease in Eastland County, Texas. Mr. Thompson previously announced that he was abstaining from this item. Mr. Archibald discussed how the District could begin negotiations with Mr. Clay Wheat in regards to a lease in Eastland County, Texas. He noted that action out of Executive Session includes authorizing the Board President (Mr. Archibald) to negotiate and execute an amended surface lease and water supply agreement which meets the approval of a President appointed subcommittee. Mr. Archibald said that appointment of such committee will take place in the near future. Mr. Archibald noted the timeline is short so should the Board consider having the President (himself) only negotiate the contract terms with Mr. Wheat and bring the negotiated contract back to the Board at the August 23, 2023 meeting for review and approval.


The Board provided feedback on this issue as to the best way to negotiate and come to an agreement with Mr. Wheat. Mr. Benham made the motion to authorize the President to negotiate and execute an Amended Surface Lease and Water Supply Agreement with Mr. Wheat which meets the approval of the President's appointed Sub Committee that will review and approve such agreements. Mr. Palmore offered a second and the Board approved unanimously with Mr. Thompson abstaining from voting.

Mr. Archibald asked the Board for discussion on agenda Item 4d addressing right of way easements and water use agreements with customers on the WCBWDS Ranger line that are using water but such water is not metered. Mr. Thompson previously announced that he was abstaining from voting on this item. The Board discussed the cost involved in installing 28 meters and monitoring the water use for these customers. Mr. Archibald stated he would entertain a motion to approve an expenditure for the purchase of these meters. Mr. Harris offered a motion for the Board to authorize the purchase of 28 meters to monitor water use for such customers along the WCBWDS Ranger line at an estimated cost of \$23,100 and these funds will be paid out of the FY2023 General Fund budget. Mr. Canon offered a second and the motion was approved unanimously. Mr. Thompson abstained from voting on this issue.

Mr. Archibald reminded the Board of upcoming meeting dates in August. Mr. Wingert reminded the Board that the August 23, 2023 will begin at 9:00 a.m.

There being no further business before the Board, the 415th meeting adjourned at 11:34 am.

Approved this 23 day of August, 2023.


Norm Archibald, Board President


Sam Chase, Board Secretary