

## FORT GRIFFIN SPECIAL UTILITY DISTRICT

1180 C.R. 109

Albany, TX 76430

FORT GRIFFIN SPECIAL UTILITY DISTRICT Board of Directors met in a Regular Meeting, Wednesday, January 14, 2025, at 609 Railroad Street, Albany, Texas.

President McKelvain presided and called the meeting to order at 12:04 p.m. Board members present: Burrell McKelvain, Ted Tidwell, Robert Montgomery, Ben Hale and Mike Bartock. Employees present: Tyler George and Carrie Holson, visitors present: Britton Howe (Communities Unlimited), Teresa Comacho, Lorie Rohloff, Beverly Campbell, Sid Collinsworth (late arrival), Derek Turner, Tiffany Holdahl (late arrival), and Cody Ellis (late arrival).

Mr. McKelvain opened the floor for visitors' comments. Mrs. Campbell began by asking, "Who decided to have trash service and why?"; "How will money be used that is collected?"; "Will the debt service go up as a result?"

Mrs. Camacho spoke and stated she has been here 22 years, and asked, "Why were customers not notified? Why did I only get a survey? How is this mandated? Is it in the bylaws? Was AEL cheaper? Will lower prices be honored? Will there be extra fees if the cart is full?" Mrs. Camacho stated, "The whole deal seems underhanded, and no one knows what is going on, and it feels like a democracy."

Lori Rohloff spoke next beginning with questions about the drainage at Brushy Creek Bait Shop and said she was told the engineer would contact her, but he never has. She said she is still concerned about flooding and said her insurance wants a letter or a flood plan. Rohloff next asked about activity in the cove at the end of FM 3201. George began addressing concerns, starting by informing that the activity is due to a private landowner who requested a water line and was paying the cost himself to have the line run across the lakebed. Mrs. Rohloff then asked about several RVs that are not in an RV park and questioned where they are receiving water. George stated they are not on our water service, and we do not have answers about the sewer. Holson suggested calling WCTMWD or TCEQ with any concerns. Mrs. Rohloff stated she had another question, "Does the \$27.65 for a polycart have any additional fees?"

Mr. McKelvain stated he wanted to conduct a roll call and introduce the board members. During rollcall, Mr. Collinsworth arrived and stated that using CWS was a conflict of interest because George was the Mayor in Moran. McKelvain continued the meeting and explained there had been several public meetings where trash was discussed and the companies had been present as well. George addresses other concerns, explaining that the service had been added to help FGSUD financially while also saving our customers money. George added that the debt service is for infrastructure projects and is not connected to the trash. Holson stated the board had sent out Request for Proposals (RFP's) and 3 companies responded. When determining who to use, the board based the decision on more than cost. She added that CWS and AEL ran a close race, but the board felt CWS was the best choice to serve the area and cover customer needs. She noted that the board did not take this decision lightly and that it has been discussed for several months. Contacting the service has reduced trash bills significantly for many customers. Of over 1000 customers, only 4 had sent invoices showing their current provider was cheaper. Bartock stated he would like to address the issue of conflict, stating, "I voted for CWS based on what they brought to the table." Mr. McKelvain added that the information, including the agenda and minutes, is on the website. Tidwell spoke up and said, "Mrs. Campbell, I understand how you feel about not having a say. I face the same and am told who to use inside the City. I get it."

McKelvain discussed how everyone is starting to face shortages of water. He shared with the guests that he had attended a meeting with the City of Albany, the City of Abilene, and WCTMWD, and that everyone has issues. He said he is hopeful because FGSUD will soon be able to produce it without having to buy it all. Collinsworth asked if the plant would be an R.O. system, and Mr. Turner stated that a request had been made and was waiting for approval to remove the R.O. portion.

Mr Montgomery asked for a call to order, stating that citizens' comments had concluded and that, due to a long agenda, the board needed to address business. McKelvain opened the floor to Holson. Holson stated that a few customers had reached out, saying the new trash fee would be higher than what they currently pay. After discussion, Tidwell made a motion that FGSUD will honor the existing prices for any customers who provide a statement showing the lower price; that it was in effect as of the Nov. 27, 2025, publication date; and until the said contracts' expiration date. Hale seconded the motion; all voted in favor; the motion carried.

McKelvain introduced guest Britton Howe with Communities Unlimited. Howe shared that he had been collecting data and working with George and Holson to do a Rate Study. He suggested the board conduct an annual study to ensure the water rates for each account type generate an equal percentage of revenue relative to usage. He reviewed his findings and stated Rate Code 1 was not doing so (which is a single dwelling with a standard-sized meter) and those account for the majority of meters. He added that the rates for Moran are significantly low compared to Moran's usage percentage. Tidwell asked how FGSUD compares to other systems. Britton reported, "not really bad shape, some operate at a much lower ratio, but you're not where you need to be." He informed the board that Communities Unlimited can help with funding in some cases, up to \$750,000. Britton added that there is no cost for the rate study, and he doesn't mind coming back anytime or even attending public hearings to help explain to customers.

McKelvain called for a lunch and recess of the meeting at 1:30.

McKelvain called the meeting back to order at 2:16 pm.

Turner provided figures on contingency funds currently in the water treatment plant project, totaling around \$1.5 million. He stated that if a pump station were added to the system on the vacant property owned by FGSUD on Hwy 180 (near CR 113), it would feed from the Breckenridge Tower and get water back to the Badley Pump Station, which could get it all the way back to the station at the office. Cost for such is estimated at \$850K.

Turner stated another issue that could possibly be alleviated with contingency would be an aeration system to help with TTHM's. George has improved the flow by lowering the tank levels but is still fighting residuals.

Additionally, funds could be used to pay for a Chlorine scale that would be hooked up to SCADA. This could be used in lieu of FGSUD having someone physically check all the residuals daily as now required by TCEQ.

After discussion, Hale made a motion to request approval of utilizing contingency funds for the proposed improvements. Motion seconded by Bartock, all voting for; motion carried.

Discussion then moved to the Cisco Lake Project. George stated he visited David Hudson with Jacob & Martin regarding neighboring CCN's. George drew a map showing existing CCN's and showing what area he recommended FGSUD seek to incorporate. He stated he is working on the process. Turner discussed funding options and stated that the new Texas Legislative HB 500 was just released and provides up to \$5 million in funding for water projects, with 100% grant funds. There is no guarantee FGSUD would be awarded, but said JM would apply on the SUD's behalf before the July deadline.

Discussion/Action in the Backhoe lease was tabled. CAT Financial has not yet provided information needed.

The FY 24-25 Audit report was tabled. Hamby will be present at the February meeting.

The update to the By-Laws was tabled. Attorneys were delayed in completing recommendations.

Holson informed board members that the next election is set for May 2, 2026, and board members Hale, Montgomery, and Tidwell are up for re-election. Applications for a place on the ballot may be filed January 14, 2026, through February 13, 2026. Holson stated that early-voting and election day polling place locations need to be determined. Montgomery made a motion that Holson has the authority to determine the exact locations based on the

ability to contract with other local entities, ensuring polling places in Albany, Moran, Throckmorton, and Breckenridge. Motion seconded by Hale, all voting for; motion carried.

George presented an amendment to the existing Bulk Water Agreement. He had stated at the previous meeting that, due to the increased construction in the area and the inability of other local entities to provide bulk water, he sees a market for doing so. Montgomery made a motion to increase the bulk water rate to \$40/1000 gallons, with a \$50 base fee, and to approve the proposed agreement form with said cost. Motion seconded by Tidwell, all voting for; motion carried.

McKelvain asked board members to review the minutes provided of the December 10<sup>th</sup> and December 19<sup>th</sup> meetings. Montgomery made a motion to approve the minutes. Motion seconded by Bartock with notation of a spelling correction of "Vicky to Vikki"; all voting for; motion carried.

Board members reviewed the financials and the budget-to-actuals. Tidwell made a motion to approve the financials. Motion seconded by Bartock; all voting for; motion carried.

George gave a quick update on the progress of the water treatment plant. He stated the pits are built, and a new clay lining is being added; the building crew is converting the old barn into a building, and the crew beginning the plant portion is waiting on supplies that were delayed due to the government shutdown. McKelvain asked about the drainage issues Mrs Rohloff had mentioned. George drew a diagram showing what had been done and showing that nothing had changed the natural water flow at this time. He stated he will continue to monitor. Bartock stated he heard Turner discussing the matter with Mrs Rohloff during the recess. Bartock asked when the project is expected to be completed. George stated he sees it being October at the earliest. Turner stated he had received approval to remove the R.O. portion of the plant.

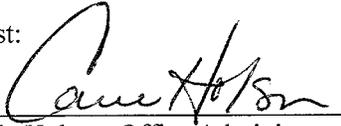
George mentioned the Annual Texas Rural Water Conference was set for March 25-27<sup>th</sup>. McKelvain encouraged board members and employees who want to attend to do so. Holson stated that rooms fill fast, so anyone who wants to go needs to register asap.

McKelvain called for a Closed Session at 3:43 pm regarding Personnel: Employee Status and Wages-Deirdra Frazier.

McKelvain reconvened in open session at 4:02. McKelvain stated that FGSUD needs to ensure it follows the requirements set by TCDRS for retirement benefits. Montgomery made a motion that Frazier be considered as a full-time employee working 32 hours per week and be included for retirement benefits, other company benefits, insurance, and paid time off. Motion seconded by Bartock; all voting for; motion carried.

There was no further business, and Montgomery made a motion to adjourn at 4:03 pm. Motion seconded by Hale; all voting for, motion carried.

  
Burrell McKelvain, Certifying Official  
Fort Griffin Special Utility District

Attest:   
Carrie Holson, Office Administrator