

Responses to Questions Raised During the September 17, 2026 Board Meeting

Q: How many people applied and were interviewed for the Director of Administrative Services position?

A: The District received approximately 8-10 applications for the Director of Administrative Services position. Following a review of qualifications and experience, four applicants were determined to meet the position requirements.

Of those four applicants, one applicant's salary expectations exceeded the District's approved compensation range, and one applicant was not selected to advance further in the process. The remaining two applicants participated in a structured interview process consisting of an initial interview, a second-round interview, and a final follow-up interview. Reference checks were conducted following the initial interview phase.

The successful candidate was selected based on qualifications, relevant experience, professional references, and overall alignment with the District's operational needs. The position was publicly advertised through the Texas Municipal League (TML) Career Center, LinkedIn, and additional community outreach channels.

Q: Was nepotism a concern in the hiring process for the Director of Administrative Services position?

A: No. The District reviewed the hiring process and determined that no nepotism issue existed under applicable law or District policy. The hiring process was conducted in accordance with established District procedures, and the selected candidate was chosen based on qualifications, experience, professional references, and overall suitability for the position.

Q: How was the decision made to select the Director of Administrative Services?

A: The selection was made through a structured and competitive hiring process. Applications were evaluated based on the qualifications, experience, and requirements established for the position. Qualified applicants participated in multiple rounds of interviews, and professional references were verified as part of the evaluation process. The successful candidate was selected based on qualifications, experience, demonstrated competencies, professional references, and the ability to meet the District's operational and administrative needs.

Q: How did the salary budget increase from approximately \$473,000 to more than \$600,000 if the stated increases were 4% and 7%?

A: The salary figures presented during the budget process were based on information developed through the District's budget preparation process. Following further review, the District has determined that the personnel budget is currently overstated and does not accurately reflect anticipated personnel costs.

To address this issue, the Board has planned a mid-year review and adjustment of all personnel-related budget line items within the Fiscal Year 2026-2027 budget. This review will align budgeted amounts with actual staffing costs and operational needs.

The Board's objective is to improve the accuracy of financial reporting and ensure that future budgets are developed using complete and reliable personnel cost information.

Q: What percentage of the District's water costs is attributable directly to the North Texas Municipal Water District (NTMWD)?

A: The District currently pays \$4.55 per 1,000 gallons to the North Texas Municipal Water District (NTMWD) for purchased water, an increase from the previous rate of \$4.19 per 1,000 gallons.

The District's monthly NTMWD water cost increased from approximately \$58,785.00 to \$63,836.13. However, the cost of purchased water cannot be directly compared to customer water rates. The amount paid to NTMWD represents only the cost of acquiring water.

Customer water rates must also support the operation, maintenance, repair, administration, and regulatory compliance of the District's water system. Accordingly, purchased water costs represent only one component of the total cost of providing water service.

Q: Was outsourcing the billing process considered?

A: Yes. The District evaluated both outsourced billing services and in-house staffing models as part of its review of administrative and customer service operations.

The evaluation included consideration of service capabilities, costs, operational efficiency, customer service needs, and the District's broader administrative requirements.

Q: What costs were provided for outsourcing billing services?

A: The District obtained and reviewed cost information for outsourced billing services as part of its evaluation process. The services offered were limited in scope and addressed only a small portion of the District's overall administrative and customer service requirements.

The proposals reviewed did not include customer account management, accounts receivable, accounts payable, resident assistance, administrative support, policy development, or postage costs associated with mailing utility bills. As a result, the Board determined that the costs of outsourced billing services could not be evaluated independently from the additional services that would still be required to support District operations.

Q: How did the cost of outsourcing compare with hiring a full-time employee (FTE)?

A: The District evaluated the cost of outsourcing administrative functions, including billing, accounts receivable, accounts payable, financial support services, policy development, and other operational responsibilities.

The outsourcing options reviewed did not provide the full range of services required by the District. Contracting for all necessary administrative, financial, and customer service functions would have required multiple service providers and resulted in higher overall costs.

Based on the scope of services needed and the associated costs, the Board determined that hiring a full-time employee was the most comprehensive and cost-effective approach.

Q: How many outsourcing options were considered?

A: The District evaluated multiple options for outsourcing administrative and billing-related services. The Board considered the scope of services offered, overall cost, operational efficiency, and the ability of each option to meet the District's operational and customer service requirements.

Following this review, the Board determined that the available outsourced solutions did not provide the comprehensive services needed to support District operations.

Q: When were residential water meters last replaced or checked?

A: The District maintains and replaces water meters as necessary based on age, performance, maintenance history, and operational requirements. Meter accuracy is monitored through routine operations and investigated when concerns are reported by customers.

The District is currently reviewing historical meter records to verify replacement and maintenance history throughout the system.

Q: Why are residents experiencing unusually high water bills?

A: The District has received reports of higher-than-expected water bills and continues to review these concerns. There is no single cause that applies to all accounts. Increased consumption may result from seasonal usage, irrigation systems, plumbing leaks, customer-side equipment issues, or changes in water-use patterns.

When concerns are reported, the District reviews account history, meter readings, and billing records to verify accuracy and identify any potential issues.

Q: Why has a resident not received a mailed bill for several months?

A: The District is aware that some residents have experienced delays or interruptions in receiving mailed utility bills. During this period, the District implemented a system update that included a change to the remittance address for utility payments. In addition, changes in United States Postal Service bulk-mail handling procedures have affected delivery timelines in some instances.

When a billing concern is reported, the District reviews account records, mailing information, and billing history to verify that statements were properly generated and mailed. Residents who have not received a bill are encouraged to contact the District so that their account information can be verified and any issues promptly addressed.

Q: What is going on with the District's billing process generally?

A: The District has identified several factors that have affected the billing process, including a system update related to the remittance address, changes in United States Postal Service bulk-mail handling procedures, and the transition of administrative responsibilities during a period of organizational change.

The District is actively implementing corrective measures to address these issues and restore normal billing operations. To minimize the impact on residents while these matters are being resolved, late fees are not currently being assessed, and service disconnections for nonpayment have been temporarily suspended.

The District remains committed to ensuring accurate, timely, and reliable billing services for all customers.

Q: Why was a full-time employee (FTE) chosen instead of an outside billing service?

A: The Board evaluated both outsourced service providers and an in-house staffing model before making its decision. The review demonstrated that outsourced billing services would address only a limited portion of the District's operational requirements.

In addition to utility billing, the District requires customer account management, accounts receivable, accounts payable, financial administration, policy development, records management, resident communications, and other administrative functions.

After evaluating the scope of services required and the associated costs, the Board determined that hiring a full-time employee was the most comprehensive and cost-effective solution.

Q: Was the use of an outside billing service considered based on what other utility districts and subdivisions do?

A: Yes. The District considered both outsourced service models and in-house staffing approaches as part of its evaluation process. The Board reviewed various approaches used by utility districts and similar entities to manage billing and administrative operations.

While some districts utilize third-party service providers, the District determined that its operational requirements extend beyond billing services alone. After evaluating the scope of services needed and the costs associated with outsourcing those functions, the Board determined that maintaining these responsibilities through a full-time employee would provide a more comprehensive, responsive, and cost-effective solution.

Q: What was the District's previous staffing arrangement for billing and administrative functions?

A: The District's governing structure has historically provided for both an Office Manager position and a General Manager position to oversee administrative and operational functions.

Over time, these responsibilities have been performed through various combinations of staff positions, part-time support, contract services, and shared duties among District personnel. As the District's administrative, financial, regulatory, and customer service requirements have evolved, the scope of these responsibilities has expanded significantly. Following a review of the District's current and anticipated needs, the Board elected to streamline the organizational structure by consolidating these responsibilities into a single full-time position: Director of Administrative Services.

The Board determined that this approach would provide greater continuity, accountability, operational efficiency, and responsiveness to residents while remaining a cost-effective means of managing the District's administrative and financial operations.