

Spring Valley Water Supply Corp.  
Regular Meeting of the Board of Directors  
August 11,2020

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President	Larry Hobbs
Vice-President	Zandy Goode
Secretary	Bert Hernandez
Director	Darrell Bledsoe – present by phone
Director	David Morrison
Director	Gerald Theut

**ITEM 1. CALL TO ORDER, ROLL CALL, DETERMINATION OF QUORUM**

The meeting was called to order at 5:15 p.m. by President Larry Hobbs with a quorum present.

**ITEM 2. RECOGNITION OF VISITORS**

Aaron McMillan attended the meeting as a visitor.

**ITEM 3. PUBLIC COMMENTS**

Aaron McMillan requested that his request for meters be put on the agenda for October.

**ITEM 4. REVIEW AND APPROVE MINUTES FROM PREVIOUS BOARD MEETING**

The minutes were reviewed and a motion was made by David Morrison to approve the minutes from the previous Board meeting. Gerald Theut seconded the motion. The vote was taken and all approved the motion.

**ITEM 5. REVIEW AND POSSIBLE ACTION ON METER REQUESTS**

There was one meter request for 3 meters by Steven Smith. The Board reviewed the Engineer's report and found no issues in approving the meters. A motion was made by David Morrison to approve the meter installations and the motion was seconded by Gerald Theut. On the vote, the motion passed unanimously.

**ITEM 6. TABOR ENGINEERING – UPDATE ON PROJECTS**

In anticipation of the report from Johnny Tabor, Bo Routh was called on to present the tentative agreement between the SVWSC and Michael and Doug Deutschmann and DMDC, LLC. Mr. Routh reviewed the tentative agreement in detail and explained contingencies and, in the future, Waco's role in further development of the Deutschmann properties. The Board approved the tentative agreement and instructed Mr. Routh to pursue the finalization of the agreement.

Johnny Tabor then presented each member of the Board and the Aqua staff with a bound, completed report which was titled "Existing Water System Analysis and System Mapping 8/11/2020." Then he presented key items of the report to the Board. When an existing line is found but found to be not as mapped, the map will be updated so that both he and the Aqua team are both informed of it. He explained how to read the maps indicating water system pressure that were provided in the report. The maps were reviewed to illustrate potential problems with the current system and with the system if it experiences future growth. Solutions to these problems were offered in the report. The use and estimated cost of pressure relief valves were explained as well as the potential benefits of using them. TCEQ compliance was discussed by way of TCEQ inspections, system supply requirements (35 psi minimums), and cost to customers to get water supplied. Two options for maintaining TCEQ compliance were presented to the Board and were explained in detail by Johnny Tabor. Also he explained that to meet future needs, the current contract with Bluebonnet of 489 gpm was going to be inadequate. Reviewed the benefits of taking the Bethany plant on line through lower operating costs, maintenance, and better utilization of the Judd plant to provide improved flows to the system. Addressed issues with supplying water to Country Springs and Mockingbird roads. He concluded by reviewing the "Option A" and "Option B" for making improvements as presented in the report.

**ITEM 7. DISCUSS AND POSSIBLE ACTION: METER REQUESTS FROM ROMNEE LAWSON AND WADE PARKER**

David Morrison made a motion to table these meter requests until there was time to study the report presented at this meeting by Tabor and Associates on the water system analysis and mapping they had performed. This motion was seconded by Larry Hobbs and passed unanimously by voice vote.

**ITEM 8. DISCUSS AND POSSIBLE ACTION: SET NEXT WORK GROUP MEETING**

The work group consist of Larry Hobbs, Bert Hernandez, Zandy Goode, and David Morrison. The work group is open to any member of the Board that wants to be on it. Larry Hobbs made a motion to meet at the Judd Plant on Monday, August 24, 2020 at 9:00 am to discuss the water system analysis and system mapping report presented at this meeting by Tabor & Associates. The motion was seconded by Bert Hernandez and was approved by voice vote.

**ITEM 9. FINANCIAL STATEMENT REVIEW BY FRANK ALEXANDER**

Frank Alexander requested that this item be moved up ahead of item 5. A motion was made by David Morrison and seconded by Bert Hernandez. On voice vote, the motion was approved. Frank Alexander reviewed the financials statement for July 2020 with the Board. There were no extraordinary items to report. A motion was made to accept the financial report by Bert Hernandez and the motion was seconded by Larry Hobbs. On the vote, the motion passed unanimously.

**ITEM 10. REGULAR UPDATE ON BLUEBONNET WATER SUPPLY AND POSSIBLE ACTION**

Darrell Bledsoe gave the report on Bluebonnet stating that the only thing of note for this month is that Bluebonnet was having to perform an update for their system at a cost of \$13,000. A motion was made by Bert Hernandez to accept the Bluebonnet report. The motion was seconded by Gerald Theut and was passed by voice vote.

**ITEM 11. DISCUSSION AND POSSIBLE ACTION: AUTHORIZATION TO PAY BILLS**

On review, the motion was made by Larry Hobbs and seconded by Bert Hernandez to authorize payment of bills in August 2020. All were in favor, the motion passed.

**ITEM 12. QUESTIONS TO THE BOARD BY AQUA TEXAS REPRESENTATIVES CONCERNING OPERATIONAL ISSUES**

Mark Kocian presented to Board the need to implement the Drought Contingency Plan. After discussion the Board approved implementing a Phase I which will be an even and odd water usage plan with notifications to customers via the web site and mailing postcard notifications.

**ITEM 13. WATER SYSTEM OPERATIONS REPORT BY REPRESENTATIVE OF AQUA TEXAS (NO ACTION TO BE TAKEN BY THE BOARD) INCLUDING THE FOLLOWING: (A) OPERATIONS REPORT; (B) WATER USAGE AND ACCOUNTABILITY; (C) FACILITIES, EQUIPMENT, AND REPAIRS; AND, (D) FINANCIAL REPORT**

Mark Kocian reviewed the Directors' Operations Report with the Board.

Bert Hernandez made the motion to accept the water operations report. It was seconded by Zandy Goode. On vote, the motion passed.

**ITEM 14. ADJOURN INTO EXECUTIVE SESSION IF NEEDED AS ALLOWED BY TEXAS GOVERNMENT CODE SECTION 551.074**

No Executive Session was required.

**ITEM 15. RECONVENE INTO PUBLIC SESSION. DISCUSSION AND POSSIBLE ACTION REGARDING MATTERS DISCUSSED IN EXECUTIVE SESSION**

No Executive Session was convened.

**ITEM 16. SET TIME AND PLACE FOR THE NEXT REGULAR MEETING OF THE BOARD**

The next regular business meeting of the Board will be Tuesday, September 8, 2020. It will be held at the Aqua Texas office at 7025 Sanger Avenue, Waco, TX, 76710.

**ITEM 17. ADJOURN**

A motion was made to adjourn by David Morrison and was seconded by Larry Hobbs. All were in favor and none opposed. The motion carried and the meeting was adjourned.