

Spring Valley Water Supply Corp.
Regular Meeting of the Board of Directors
September 14, 2021

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President	Larry Hobbs
Vice-President	Zandy Goode
Secretary	Bert Hernandez
Director	Darrell Bledsoe
Director	David Morrison
Director	Gerald Theut
Director	Kyle Grigsby

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

The meeting was called to order at 3:30 p.m. by President Larry Hobbs with all present.

ITEM 2. RECOGNITION OF VISITORS

There were several visitors to the meeting: Mr. & Mrs. Jones; Bobby Teague; Don Paxton; Jerry Aguirre; and, James Erger.

ITEM 3. PUBLIC COMMENTS

There were no public comments.

ITEM 4. REVIEW AND APPROVE MINUTES FROM PREVIOUS BOARD MEETING

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

ITEM 5. REVIEW AND POSSIBLE ACTION ON METER REQUESTS

Bobby Teague requested one meter on Southern View. After the engineer's report was reviewed, Larry Hobbs made a motion to accept the engineer's report and the motion was seconded by Darrell Bledsoe. On the vote, the engineer's report was accepted and the request for a meter was granted.

Connie Bubert made a request for four meters on Bubert Lane. She was represented by Tom Paxton at the Board meeting. A review of the engineer's report indicated that it was recommended that the meters not be granted because they would bring the TCEQ minimums below standards for existing customers on the water line. At this time it was unknown whether planned system improvements would resolve the issue with the four meters. David Morrison made the motion to accept the engineer's

report on the four meters and Kyle Grigsby seconded the motion. The motion passed unanimously to accept the engineer's report and therefore to decline the installation of the four meters.

Jerry Aguirre made a request for one meter on Mourning Dove Lane. Indications were that a road bore would be needed but otherwise no system improvements were needed to approve the meter. Gerald Theut made the motion to accept the engineer's report and Darrell Bledsoe seconded the motion. On vote, the motion passed so the meter was approved contingent on Mr. Aguirre paying for the road bore.

Devin Fitzpatrick requested one meter also on Mourning Dove . The engineer's report was reviewed and indications were that this meter would not require system improvements but would also require a road bore. Kyle Grigsby made the motion to accept the engineer's report and David Morrison seconded the motion. On vote, the motion passed approving the meter contingent on Mr. Fitzpatrick paying for the road bore.

James Erger requested two meters on Wolf Creek Road. The engineer's report indicated that these meters could be added without requiring system improvements. Darrell Bledsoe made the motion to accept the engineer's report and Larry Hobbs seconded the motion. On vote, the motion passed and the meters were approved.

Amando Aviles requested three meters on Highview Lane. A review of the engineer's report indicated no system improvements were needed to add these three meters , but a road bore would be necessary. Darrell Bledsoe made the motion to accept the engineer's report and David Morrison seconded the motion. On vote, the motion passed so the three meters were approved contingent on Mr. Aviles paying for the road bore.

Frank Alexander requested one meter on Harding Lane. A review of the engineer's report indicated that no system improvements would be needed. Kyle Grigsby made a motion to accept the engineer's report and the motion was seconded by Darrell Bledsoe. On vote, the motion passed and the meter was approved.

ITEM 6. TABOR ENGINEERING -- UPDATE ON PROJECTS

Johnny Tabor presented the following report:

Pilgrim Lane Water Improvements – This project is waiting on easements being obtained. Delays in obtaining easements have occurred due to the change in city management in Lorena.

Southern Heights Addition (Bill Fraley) – JNB Construction is working on this project and it is near completion. Approximately \$20,000 of the contract is being held until final completion.

Plant Rehabilitation (Judd and Moses) – Plans and specifications for the Pump Station work was submitted to the TCEQ on August 21, 2021. The TCEQ website is showing a review completion of October 12, 2021.

Water Line Rehabilitation – Water line rehabilitation is to get the entire distributions system in TCEQ compliance using a minimum of 4" water lines as per SVWSC tariff. Plans were delivered today for review by Aqua. On resolving the issue with easements on Pilgrim Lane, the Pilgrim Lane project will be combined with this item for future reporting purposes.

75 meter Study for Trudie Tate Estate – This potential project is waiting on the surveyor's plat, signed Developer Agreement, pre-payment of engineering fees, and the engineering agreement with the SVWSC.

Larry Hobbs made the motion to accept the engineer's report. David Morrison seconded and on vote, the motion passed.

ITEM 7. FINANCIAL STATEMENT REVIEW BY FRANK ALEXANDER

Frank Alexander reviewed the balance sheet and income statement for August 2021 with the Board. There was \$1,000 that was drawn on the CoBank line of credit that was used for the membership fee with CoBank. The Board directed that this amount be paid off and that would allow the full amount of the line of credit to be available for the future. The motion was made by Larry Hobbs and Gerald Theut seconded the motion to pay the \$1,000. On vote, the motion passed unanimously.

ITEM 8. REGULAR UPDATE ON BLUEBONNET WATER SUPPLY

Darrell Bledsoe reported that the contract rate for water from Bluebonnet was going to go up to \$3.35/1,000 gallons in October 2022 due to a rate increase from the Brazos River Authority. Larry Hobbs made the motion to accept the report, Zandy Goode seconded. On vote, the motion to accept the report passed.

ITEM 9. DISCUSSION AND POSSIBLE ACTION: AUTHORIZATION TO PAY BILLS

On review, the motion was made by Kyle Grigsby and seconded by David Morrison to authorize payment of bills for September 2021. All were in favor, the motion passed.

ITEM 10. DISCUSSION AND POSSIBLE ACTION: METER (EQUITY) RATES

There wasn't enough information available to the Board to give consideration to making a decision on changing the meter installation rate for the SVWSC. In order to gather information, a committee headed by Zandy Goode with Darrell Bledsoe and David Morrison assisting.

ITEM 11. QUESTIONS TO THE BOARD BY AQUA TEXAS REPRESENTATIVES CONCERNING GENERAL OPERATIONAL ISSUES

The Board was asked about setting up the Christmas Party in December. Discussion of this resulted in settling on having it at 135 in Hewitt on December 7, 2021. Terri Whitley was directed to see if reservations could be made and plans set to have it there on that date. There will be a business meeting to take care of immediate items prior to dining.

ITEM 12. 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.

One question concerned the rehabilitation of the Bethany plant site back to original condition. Discussion of the remaining pressure tank, a hole where piping was disconnected and remaining debris from the old pump house indicated that this could be taken care of but would need Board action to be completed. It was decided to table this action until the next Board meeting when it could be placed on the agenda.

Gerald Theut made the motion to accept the water operations report. It was seconded by Kyle Grigsby. On vote, the motion passed.

ITEM 13. ADJOURN INTO EXECUTIVE SESSION IF NEEDED AS ALLOWED BY TEXAS GOVERNMENT CODE SECTION 551.074

There was no need for an Executive Session

ITEM 14. RECONVENE INTO PUBLIC SESSION. DISCUSSION AND POSSIBLE ACTION REGARDING MATTERS DISCUSSED IN EXECUTIVE SESSION

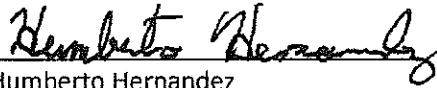
There was no Executive Session so there was no need to reconvene.

ITEM 15. SET TIME AND PLACE FOR THE NEXT REGULAR MEETING OF THE BOARD

The next meeting of the Board will be on Tuesday, October 12, 2021 at 3:30 p.m. at the Aqua office at 7025 Sanger, Waco, TX 76710.

ITEM 16. 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.

Submitted by:  September 20, 2021
Humberto Hernandez
Secretary, SVWSC