

Spring Valley Water Supply Corp.  
Regular Meeting of the Board of Directors  
October 8, 2024

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President	Larry Hobbs
Vice-President	Zandy Goode
Secretary	Bert Hernandez
Director	Darrell Bledsoe --absent
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 a quorum present.

**ITEM 2. RECOGNITION OF VISITORS**

David & Bonnie Capshaw were present as visitors.

**ITEM 3. PUBLIC COMMENTS**

There were no public comments.

**ITEM 7. UPDATE ON THE BLUEBONNET LINE FOR THE JUDD PLANT**

Kyle Grigsby made a motion to move Items 7 and 8 up on the agenda to be followed by Item 6. The motion was seconded, and on vote, the motion passed.

Mark Kocian reported that the new interconnection proposed to connect the Bluebonnet supply line to the Judd Plant would only require SVWSC to pay for the actual connection hook-up.

**ITEM 8. BLUEBONNET WATER SUPPLY REPORT**

David Morrison reported that there were 12 easements that still needed to be obtained. He stated that Bluebonnet had made offers to the landowners for the easements but that the counteroffers were not acceptable. David Morrison reported that Bluebonnet was going to make one more offer on the easements and if they weren't accepted, that they would begin eminent domain procedures next month.

Mrs. Capshaw informed the Board that Bluebonnet had decided to run the waterline through the middle of her mother's property and through a cultivated field. The property in question is the L.T. Hatter property. She explained that she had offered to allow Bluebonnet to run the line along the property line

but Bluebonnet had turned her down and was going to proceed with the line through her mother's property. She presented the Board with aerial maps of the L.T. Hatter property and the Mac Hatter property which also had the same issue with the waterline running through the middle of the property. Mrs. Capshaw was informed that Spring Valley did not have anything to do with Bluebonnet's decision of where the waterline was going to run and that any decisions on it were solely those of Bluebonnet. Since Bluebonnet is having a meeting next week, it was recommended to her that she contact Bluebonnet to be put on the agenda for their next meeting so she could present her issues to Bluebonnet for them to review, decide, and act on her request. The Board was understanding about her issues and concerns but is unable to take any action on Bluebonnet's routing decision.

**ITEM 6. DISCUSS AND POSSIBLE ACTIONS: STACY HOBBS WATER LEAKS**

Larry Hobbs recused himself from this item and this item was presided by Zandy Goode, the Vice President of the Board. Stacey Hobbs asked to join the meeting by phone and the Board agreed to do so. She reported that Johnny Tabor had visited her place and determined that valves were needed at the top of the hill and at the meter. She also reported that the meter may need replacement due possibly losing accuracy due to so much air having flowed through it. Johnny Tabor was present at the meeting and made a report on his findings on his visit to the Hobbs' s place. The problem leaks at this location were identified as being caused by air/water vapor causing a water hammer to flow though the meter and the waterlines on the customer side of the meter. After a detailed explanation of how the water vapor was created by the vacuum that developed after a leak, the recommendation was to install a check valve on the SVWSC side of the meter as well as an air/vacuum release valve. On the customer side of the meter, he recommended the installation of an air/vacuum release valve at the high point of the customer's property. This would be a total of three valves. Stacey Hobbs verified that Johnny Tabor's report on her property was correct. She then outlined a history of high water bills due to leaks and expenses on repairing the leaks and asked that the Board consider paying for the complete suggested valves needed to fix the problem and to replace her meter. Discussion of water pressure improvements led to the Board recommending that if the improvements were made, the Hobbs needed to put an expansion tank on their hot water heater since it had a check valve that prevented backflow into the supply system to it. Zandy Goode made a motion to get an estimate for all the work needed with a breakdown of what would be the SVWSC's portion and the customer's portion for the high point valve. The water heater expansion tank estimate would be the responsibility of the Hobbs. The estimate for the work would be presented to the Board at the next regular meeting for a decision to be made on all the items that were discussed. Gerald Theut seconded the motion. On vote, the motion passed.

After the vote on the motion, Larry Hobbs returned to the meeting and resumed conducting the meeting,

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

David Morrison made a motion to approve the minutes from the previous meetings. Kyle Grigsby seconded the motion. On vote, it passed unanimously.

**ITEM 5. DISCUSS AND POSSIBLE ACTIONS: KEN COOPER LAKE RIDGE SUBDIVISION QUESTIONS TO THE BOARD**

Ken Cooper addressed the Board and gave an update on the Lake Ridge subdivision. He addressed the need to pay the Developer's Fees up front and reported that he was working with his lender to work that into his loan and that it would take some time for all the paperwork to be completed in order to fund the balance due on the Developer Fees. A discussion was held concerning the contractor's bid and the Board was advised that the bid was good for 30 days and Johnny Tabor offered to contact the contractor and ask for a further extension if needed. Larry Hobbs made a motion to authorize Johnny Tabor to contact the contractor and ask for another 30 day extension on the quoted bid. Zandy Goode seconded the motion, an on vote it passed.

**ITEM 9. REVIEW AND POSSIBLE ACTION ON METER REQUESTS AND STATUS ON PRIORITY LIST FOR NEW METERS**

There were no formal meter requests in the past month.

**ITEM 10. ENGINEERING REPORT – UPDATE ON PROJECTS**

Johnny Tabor presented the Engineering Report. The bids on the Lakeridge Estates project were opened on August 20, 2024. Copies of all the bid packages were sent to the President of the SVWSC and Aqua. The winning bidder was B-Corp Utilities out of Gatesville, TX with a bid of \$703,358.55. The bid expired on September 19, 2024 but B-Corp agreed to extend their bid until October 9, 2024 – the date of today's meeting in order to allow the Developer, Ken Cooper, to make his presentation to the Board. The authorization for Johnny Tabor to request and additional 30 days on the bid was given by the Board on this date under Item 5. Bert Hernandez made a motion to accept the Engineering Report and it was seconded by Larry Hobbs. On vote, the motion passed.

**ITEM 11. FINANCIAL STATEMENT REVIEW BY FRANK ALEXANDER**

Frank Alexander presented the financial report. The first item he brought to our attention was a receivable from Summer Electric for \$14,932. We paid them last month but unknown to us, they also drafted on our account so we paid them twice. This will drop off as soon as we are refunded for the extra payment. The second receivable item is a receivable from Ken Cooper. He had previously paid \$45,000 in engineering fees but the fees on the project have grown so the \$28,149 represents the difference between what was paid originally and the current amount of the fee. Net income for September 2024 was \$ 30,983 which was almost the same as in August 2024 which was \$ 30,443. Davis Morison made a motion to accept the financial report. Kyle Grigsby seconded the motion. On vote, the motion passed.

**ITEM 12. DISCUSSION AND POSSIBLE ACTION: AUTHORIZATION TO PAY BILLS FOR OCTOBER 2024**

The motion was made by Larry Hobbs and was seconded by Zandy Goode to authorize payment of bills for October 2024. All present were in favor and the motion passed.

**ITEM 13. DISCUSS AND POSSIBLE ACTION: SVWSC CHRISTMAS PARTY**

The date, time, and location of the Christmas Party will be December 3, 2024 at 6:00 p.m. and the location will be 135 Prime .

**ITEM 14. QUESTIONS TO THE BOARD BY AQUA TEXAS REPRESENTATIVES CONCERNING GENERAL OPERATIONAL ISSUES**

There were no questions to the Board by Aqua representatives.

**ITEM 15. 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 presented the Operations Report. Larry Hobbs made the motion to accept the water operations report. It was seconded by Bert Hernandez. On vote, the motion passed.

**ITEM 16 ADJOURN INTO EXECUTIVE SESSION IF NEEDED AS ALLOWED BY TEXAS GOVERNMENT CODE SECTION 551.074**

There was no Executive Session held.

**ITEM 17. RECONVENE INTO PUBLIC SESSION. DISCUSSION AND POSSIBLE ACTION REGARDING MATTERS DISCUSSED IN EXECUTIVE SESSION**

There was no need to reconvene since no Executive Session was conducted.

**ITEM 18. SET TIME AND PLACE FOR THE NEXT REGULAR MEETING OF THE BOARD**

The next meeting of the Board will be on Tuesday, November 12, 2024 at 3:30 p.m. at the Aqua Office at 7025 Sanger Avenue, Waco, TX 76710.

**ITEM 19. ADJOURN**

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

Submitted by: Humberto Hernandez October 30, 2024  
Humberto Hernandez  
Secretary, SVWSC