

Spring Valley Water Supply Corp.
Regular Meeting of the Board of Directors
January 14, 2025

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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 no visitors.

ITEM 3. PUBLIC COMMENTS

There were no public comments.

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, the motion passed.

ITEM 5. BLUEBONNET WATER SUPPLY REPORT

David Morrison presented the Bluebonnet report. He reported that Bluebonnet still had not obtained all the easements necessary to start construction of the new line. He was told that Bluebonnet had commitments from all parties except for the Hatters and their families and that the Hatters had legal representation so fast progress on resolving the easements there was not expected. President Larry Hobbs presented a draft of a letter to Bluebonnet requesting a written reply as to what Bluebonnet was doing to meet SVWSC's water allotment and a schedule of when Bluebonnet expected to be able to finish construction of the new line and get it into operation. It also noted that Bluebonnet's reply would be shared with SVWSC's membership at the Annual Meeting. A discussion of the letter by the Board found it acceptable to send to Bluebonnet.

Larry Hobbs made a motion to approve the Bluebonnet Report. Kyle Grigsby seconded the motion and on vote, the motion passed.

ITEM 6. REVIEW AND POSSIBLE ACTION ON METER REQUESTS AND STATUS ON PRIORITY LIST FOR NEW METERS

There were no meter requests.

ITEM 7. ENGINEERING REPORT – UPDATE ON PROJECTS

Clark Associates presented a proposal for Engineering and Surveying services for the Spring Valley water main relocation. It would involve replacing 300 feet of 3" main with new 4" lines and constructing it to a depth of 12 feet to accommodate TxDOT construction on Spring Valley Road. The proposal was for \$9,750.00. After discussion on why it was needed, Bert Hernandez made a motion to accept the proposal and the Engineer's Report. David Morrison seconded the motion, and on vote the motion passed and the proposal was accepted.

ITEM 8. FINANCIAL STATEMENT REVIEW BY FRANK ALEXANDER

Frank Alexander presented the financial report. No financial report was given at the abbreviated December 2024 meeting. The financial report given at this meeting was through December 31, 2024. December 2024 shows a loss for the month of \$ 156,975. The majority of the loss was due to the computation of depreciation expense of \$165,801 which is a reflection of plant improvements that came on line in 2024. Depreciation on the new Plant valuations increased but since it was a non-cash expense, it did not affect the SVWSC's cash position which remained strong. For the year, net income was \$ 113,653. In 2024 there were no developer contributions which reduced income in 2024 vs 2023 by \$228,677.

A budget for 2025 was proposed and it was reviewed with the Board. After discussion of the budget, Gerald Theut made the motion to accept the financial report and adopt the proposed budget for 2025. The motion was seconded by Kyle Grigsby and on vote, the motion passed.

ITEM 9. DISCUSSION AND POSSIBLE ACTION: AUTHORIZATION TO PAY BILLS FOR JANUARY 2025

The motion was made by Larry Hobbs and was seconded by Darrell Bledsoe to authorize payment of bills for January 2025. All present were in favor and the motion passed.

ITEM 10. QUESTIONS TO THE BOARD BY AQUA TEXAS REPRESENTATIVES CONCERNING GENERAL OPERATIONAL ISSUES

There were no questions to the Board by Aqua representatives.

ITEM 11. 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. Kyle Grigsby made the motion to accept the water operations report. It was seconded by David Morrison. On vote, the motion passed.

Following the operations report, Larry Hobbs made the suggestion that a Board member be appointed to be the Board's point person on projects. He gave as examples of projects the clean up of the Bethany Plant site and the leveling and fencing at the Tate Plant. After discussion of what that would entail, Kyle Grigsby volunteered to take on the leveling and fencing at the Tate Plant. The needs at the Tate Plant were discussed as well as resources available to draw on. He is to report on that project at the next Board meeting.

ITEM 12. ADJOURN INTO EXECUTIVE SESSION IF NEEDED AS ALLOWED BY TEXAS GOVERNMENT CODE SECTION 551.074

There was no Executive Session held.

ITEM 13. 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 14. SET TIME AND PLACE FOR THE NEXT REGULAR MEETING OF THE BOARD

The next meeting of the Board will be on Tuesday, February 11, 2025 at 3:30 p.m. at the Aqua Office, 7025 Sanger Avenue, Waco, TX 76710.

ITEM 15. ADJOURN

A motion to adjourn was made 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: Humberto Hernandez February 7, 2025
Humberto Hernandez
Secretary, SVWSC