

Spring Valley Water Supply Corp.  
Regular Meeting of the Board of Directors  
January 10, 2023

Page 1 of 5

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.

**ITEM 3. PUBLIC COMMENTS**

There were no public comments.

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

The minutes from November and December 2022 were reviewed and a motion was made by Kyle Grigsby to approve the minutes from the previous Board meetings. David Morrison seconded the motion. The vote was taken and all approved the motion.

**ITEM 5. DISCUSS AND POSSIBLE ACTION: BLUEBONNET WATER SUPPLY REPORT**

David Morrison gave the Bluebonnet report. There was no December meeting of the Bluebonnet Board. Jim Lilley, the General Manager of Bluebonnet did speak with David Morrison and advised there was no change in the status of the waterline to SVWSC and that it was still in the engineering stage and had not gone out to bid. Larry Hobbs reported that he too had spoken to Jim Lilley and that he had been informed that the line was still on track to be completed by mid-summer. Darrell Bledsoe made a motion to approve the Bluebonnet report. It was seconded by Kyle Grigsby and on vote, the motion passed unanimously.

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

There were no items to take action on. No meter requests have been made and SVWSC remains on pause on granting new meter requests until the Bluebonnet issue is resolved.

**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**

Larry Hobbs made a motion to move up the Water Operations Report, Item 13, so that Mark Kocian could give it before he had to leave for another event. Gerald Theut seconded the motion and on vote, the motion passed.

Mark Kocian presented the Operations Report .

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

**ITEM 7. TABOR ENGINEERING – UPDATE ON PROJECTS**

The first item Johnny Tabor reported on was the Plant Rehabilitation for the Judd and Moses Plants. The piping issues at the Judd Plant were resolved and the contractor is ready to schedule tying in to the existing piping. Also at the Judd Plant, the electrical work is waiting for on power from HOT Electric Coop. The piping at the Moses Plant was discovered not to be according to the previous contractors' as-built drawings. A field survey was performed and revisions are being made.

Concerning the well rehabilitation, the Judd Plant's well is waiting for power from HOT Electric Coop. Oncor powers the Moses Plant and power is available there. An issue has cropped up on both well sites involving the unavailability of equipment that was first ordered for the wells. The original Yaskawa variable frequency drives (VFD's) and the sine wave filters (SWF's) are no longer available. Franklin VFD's and SWF's are available but the price increase on each plant is \$5,645 on each plant for a total of \$11,290 over the original amount awarded on the bid for the work. In addition increasing the number of perforations in the Moses well will cost \$15,000.

It was noted that on the well perforations, the Board had been in favor of doing that but had never formally approved increasing the perforations.

Breton Backhoe has completed work on the waterline rehabilitation project. Tabor Engineering is waiting on final documents to close out the project

On the Mockingbird-Robin Addition, the contractor has installed 12 meter assemblies for the development and is scheduled to begin installing the main water line on January 30<sup>th</sup>.

On Lakeridge Estates, there has been no change in this developer's project since the report to the Board in November. Tabor Engineering is waiting on authorization to send plans to the City of Waco and to proceed with bidding. No response to SVWSC's e-mail in November to Mr. Ken Cooper has been received.

David Morrison made the motion to accept the Engineer's Report as presented and the motion was seconded by Larry Hobbs. The motion passed on the motion's vote.

Bert Hernandez made the motion to accept the proposal from Jurgensen Pump for \$26,290 to complete the well rehabilitation at the Judd and Moses Plants and to increase the number of perforations at Moses Plant. After discussion, there were no seconds to the motion so the motion was deemed to die for a lack of a second. Larry Hobbs then asked for another motion that could be supported by the Board.

Larry Hobbs then made a motion to accept the proposal from Jurgensen Pump conditioned on their striking \$5,645 from the proposal and reducing it to \$20,645 to reflect their absorption of one half the cost of the VFD's and SWF's and would include increasing the perforations in the Moses well as noted in the proposal. This motion was seconded by Zandy Goode. Johnny Tabor inquired whether he was to bring Jurgensen's response to the Board if they declined to participate in the proposal's price reduction. He was advised, that if Jurgensen rejected the Board's counter offer, it would be discussed at the next Board meeting. On vote, this motion was accepted unanimously.

#### **ITEM 8. FINANCIAL STATEMENT REVIEW BY FRANK ALEXANDER**

Frank Alexander was not present so the financial statement review was tabled until next month's Board meeting.

#### **ITEM 2. RECOGNITION OF VISITORS**

There was one visitor present. He refused to give his name so he was not recognized at the start of the meeting. Kyle Grigsby made a motion to move this item back on the agenda to give the visitor another opportunity to speak. The visitor was identified as "Kenneth". David Morrison seconded the motion and on vote, it passed. Kenneth brought up four main suggestions: keep looking for alternative water sources, select high usage customers and pass them on to adjoining water systems, drive down usage with water rates, and using metrics other than meter usage only to set rates. Larry Hobbs thanked him for his suggestions and advised Kenneth that if he wanted to discuss them at length to either get with him personally or get his suggestions put on the agenda for the next meeting.

#### **ITEM 9. DISCUSS AND POSSIBLE ACTION: CHANGES IN WATER RATES & FEES**

There were discussions concerning fees and water rates, usage by customers, considerations for establishing rates, and methodology to compute rates based on continuing with a tier usage rate system. At the conclusion of the discussion, it was decided to table any decision and action until the next Board meeting and then have the new rates and fees ready by the Annual Meeting.

**ITEM 10. DISCUSS AND POSSIBLE ACTION: WEBSITE CHANGES & ADMINISTRATION**

Gerald Theut reported that a contract was offered and that it would be six to eight weeks to get the website changed out. Discussion of the contract indicated that half of the fee would be paid now and the other half would be paid on completion. It was estimated it would take 50 hours to complete the work. If it took less, the amount short of 50 hours would be credited towards the monthly maintenance fee. Larry Hobbs made a motion to sign the contract and to offer payment. Darrell Bledsoe seconded the motion and on vote, the motion passed.

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

On review, the motion was made by Bert Hernandez and seconded by David Morrison to authorize payment of bills for January 2023. All were in favor, the motion passed.

**ITEM 13. QUESTIONS TO THE BOARD BY AQUA TEXAS REPRESENTATIVES CONCERNING GENERAL OPERATIONAL ISSUES**

Terri Whitley advised the audit would start on January 16<sup>th</sup> and that required paperwork to be signed would be forthcoming.

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

There was no Executive Session.

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

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

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

The next meeting of the Board will be on Tuesday, February 14, 2023 at 3:30 p.m., at the Aqua Office, 725 Sanger Avenue, Waco, TX.

**ITEM 17. ADJOURN**

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

Submitted by: Humberto Hernandez January 24, 2023  
Humberto Hernandez  
Secretary, SVWSC