

Spring Valley Water Supply Corp.
Regular Meeting of the Board of Directors
July 11, 2023

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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 – Absent

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

There were no visitors.

ITEM 3. PUBLIC COMMENTS

There were no comments.

ITEM 4. REVIEW AND APPROVE MINUTES FROM PREVIOUS BOARD MEETING

The minutes from the June 2023 meeting were reviewed and a motion was made by David Morrison to approve the minutes from the previous Board meetings. Darrell Bledsoe 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. He reported that Bluebonnet needed to secure one last easement in order to secure the right-of-way for the new waterline to service SVWSC. The easement needs to be obtained from a SVWSC customer.

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. One meter request was put on the waiting list since the last Board meeting and it would be installed at the corner of Mockingbird and Country Springs when approvals can be granted.

ITEM 7. TABOR ENGINEERING – UPDATE ON PROJECTS

The first item Johnny Tabor reported on was the Judd Plant. He reports it is online and that the contractor is working to complete the demolition, backfill of excavations, and final inspection. Work on the Judd well is complete and is available for service. The Moses Plant is online and the contractor is working to complete the final cleanup and final inspection. The Moses well is now available for service. Johnny Tabor reports that since both plants were part of the same project, when all is completed at both plants, he'll do the final inspections for both plants.

Discussions then progressed to a variable frequency drive that was installed about two months ago that is not working, Barsh Company was the primary contractor for installation and they subcontracted the installation so at this time, we are looking to them to remedy the repair/replacement of the drive since its replacement is estimated to cost \$23,000.

The next item to be presented was work on the Mockingbird-Robin addition. Bear Contractors contacted Johnny Tabor asking about access to the Bar V property. Bear Contractors has a two week window to complete the project since they are committed to a large project with the City of Waco that will take about a year to complete. This project is required to provide additional capacity to serve the addition as well as existing SVWSC customer with TCEQ required pressure and volume compliance. A discussion was held concerning the ability of the contractor to perform the work within the 15' easement that exists. In short, the 15' easement will be inadequate for access to the work area, equipment staging, and excavation since the soil has to be placed besides the proposed line of excavation. It was determined that a meeting was necessary with all parties involved to see if the landowner would agree to a temporary construction easement. Bert Hernandez made a motion that Mark Kocian call all the interested parties to the easement on the Bar V and set up a meeting at everyone's convenience to discuss and settle the issue of the easement. Gerald Theut seconded the motion. On vote, the motion passed unanimously. Larry Hobbs made a motion that he be given authority to pay on behalf of the SVWSC up to \$2,000 to Bar V to facilitate their favorable consideration of granting a temporary construction easement. The motion was seconded by Bert Hernandez and on vote, was approved by all except for Larry Hobbs who abstained from voting.

The last item to be reported on was the Lakeridge Estates project. Johnny Tabor reported that there had been a meeting of the City of Waco, McLennan County, the Soil and Water Conservation Service, and Ken Cooper's engineer that had resolved the floodplain and drainage issues. A revised plat and subdivision design will be prepared by Ken Cooper's engineer.

Bert Hernandez made a motion to accept the Engineer's report. Larry Hobbs seconded the motion, and on vote, the motion passed.

ITEM 8. FINANCIAL STATEMENT REVIEW BY FRANK ALEXANDER

Frank Alexander reviewed the balance sheet and income statement. June 2023 was a normal operating month with no extraordinary items. Net income for the month was \$47,669 which was higher than June 2022's \$ 40,776. May 2023 was \$ 56,802 but it was higher due to application of developer funds in May. Year-to-date net income was \$160,511 vs. \$ 112,730 in 2022 and vs. \$ 113,325 that was budgeted. Payments on the CoBank note were being made last year so the comparison with 2023 is favorable. There was a discussion concerning upcoming projects that needed to be initiated such as fencing and leveling ground at the Tate Plant. We were informed that if we waited for a while we could generate the cash to pay for them on a pay-as-you go basis since the system was generating sufficient funds to do so. Larry Hobbs made the motion to accept the financial report and Bert Hernandez seconded the motion. On vote, the motion passed.

ITEM 9. DISCUSSION AND POSSIBLE ACTION: AUTHORIZATION TO PAY BILLS FOR JULY 2023

The motion was made by Larry Hobbs and seconded by Zandy Goode to authorize payment of bills for July 2023. All present were in favor and the motion passed.

ITEM 10. DISCUSSION AND POSSIBLE ACTION: LEAD AND COPPER MONITORING UPDATE

Mark Kocian reported that the TECQ had adopted an EPA requirement to inventory all waterlines in a system including those from the meter to businesses and residences to see if any lead waterlines were in use. He reported that he had started this process and that it would take some time to complete, but the SVWSC would be able to systematically work on this requirement and would be able to comply with it.

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

There was a discussion of a drive that failed but no action was needed to be taken by the Board to start the repair/replacement process. This was the same drive discussed in the Engineer's Report.

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 presented the Operations Report .

David Morrison made the motion to accept the water operations report. It was seconded by Larry Hobbs. 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, August 8, 2023 at 3:30 p.m. at the Aqua Office, 7025 Sanger Avenue, Waco, TX.

ITEM 16. ADJOURN

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

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