

Spring Valley Water Supply Corp.  
Regular Meeting of the Board of Directors  
June 13, 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

**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**

Mr. and Mrs. Jones and Mr. and Mrs. Owens were present.

**ITEM 3. PUBLIC COMMENTS**

Mr. Owens stated that at this time he was wanting to make inquiry on how to go about getting a meter or getting on a waiting list to get a meter. Larry Hobbs explained why the SVWSC had suspended approving meter requests and that the suspension would be in place until Bluebonnet was able to supply more water to SVWSC. He also explained that there was a priority list for new meters that once new meters were able to be approved, would be used to prioritize the new meter applications. The Owens were invited to get on the new meter Priority List.

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

Bert Hernandez made the motion to move Item 8, the financial statement review, up on the agenda. Larry Hobbs seconded the motion, and on vote the motion was approved.

Frank Alexander reviewed the balance sheet and income statement. He pointed out that the drop in deferred revenues account balance on the balance sheet was reflected on the income statement by the increase of \$57,147 in developer contributions for construction.

On the expense side he noted the timing of the drop of the audit and tax expense in May of this year which increase May's expenses by \$8,500 vs. May 22's and the increase in bad debts expense by \$5,908 in May 23. He stated that of the \$5,908 in bad debt expense, about \$3,000 had been recovered in June 2023.

Larry Hobbs made the motion to accept the financial report and Zandy Goode seconded the motion. On vote, the motion passed.

Frank Alexander then presented the 990 Form that was going to be submitted to the IRS. This tax return needed to be signed to be electronically transmitted to the IRS. Bert Hernandez made the motion to approve the return and have Larry Hobbs sign it. Gerald Theut seconded the motion. On vote, it passed and Larry Hobbs signed the return.

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

The minutes from the May 2023 meeting were reviewed and a motion was made by Gerald Theut 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. He reported that the Bluebonnet Board had authorized Jim Lilly, the Bluebonnet General Manager, to negotiate a loan with CoBank to finance the expansion of the line to us. He reported that the cost of the project would be about \$ 6.2 million. Rates would be expected to be raised about \$.30 based on that figure. He also reported that issues with easements were almost all cleared up and the project to improve flow to us would go out to bid as soon as the last easement hurdles were cleared.

Kyle Grigsby made a motion to accept the report. Gerald Theut seconded the motion, and on vote, it passed.

**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. Mr. and Mrs. Owen will be getting on the Priority List for new meters.

**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, Barsh Company, is working to complete the demolition and removal of the old plant facilities. The contractor is waiting for the start up of the relocated generator. The Plant will still need final clean up and inspection. The Judd Well has been started and flushed by Jurgensen Pump at 200 GPM. Additional pumping and flushing are needed before Aqua can collect Bac-T samples. Chlorine and LAS chemical feeders need to be checked out before it is turned on automatic.

The Moses Pump Station is online, but still needs final clean up and inspection. The Moses Well is complete including the Bac-T sampling by Acqua. Chlorine and LAS chemical feeders need to be checked out before it is turned on automatic.

On 6-6-2023 the Engineer received a directive from SVWSC to proceed with construction of the waterline to serve the Mockingbird-Robin Addition within the 15 foot easement and to contact Daniel Grant for access to Bar V property. Tabor Engineering notified Bear Contractors in this regard. Mike Morrison of Bear Contractors advised he spoke with Daniel Grant and was informed that construction activities and vehicle access can only occur within the 15' easement. Mr. Morrison further advised that Bear Contractors could not construct the project because pipeline construction equipment and vehicles cannot turn around with such limited access.

Specifically, Bear Contractors would need to use a pothole machine, which it has, but that staying on the easement only would not allow it to be turned around nor is there egress at the end of the easement to get off the property. Johnny Tabor brought a copy of the easement to the property for the Board to review. After review it was determined that the easement document gave the SVWSC the right to work outside the 15' demarcation outlined in order to perform installations. The Board determined that Mr. Grant should be notified of this and that would be the first step in resuming work on this project.

On Lakeridge Estates, Ken Cooper's engineer reported that a meeting is scheduled for tomorrow with the City of Waco, McLennan County, and the Soil Conservation Service to discuss and resolve floodplain and drainage issues.

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

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

On review, the motion was made by Larry Hobbs and seconded by David Morrison to authorize payment of bills for June 2023. All 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.

**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 Gerald Theut. On vote, the motion passed.

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

The Board went into Executive Session at 4:05 p.m.

**ITEM 13. RECONVENE INTO PUBLIC SESSION. DISCUSSION AND POSSIBLE ACTION REGARDING MATTERS DISCUSSED IN EXECUTIVE SESSION**


The Executive Session was ended and the Board reconvened into the public session at 4:15 p.m. There was no action taken on the matters discussed in Executive Session.

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

The next meeting of the Board will be on Tuesday, July 11, 2023 at 3:30 p.m. at the Aqua Office, 7025 Sanger Avenue , Waco, TX.

**ITEM 15. ADJOURN**

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

Submitted by:  June 19, 2023  
Humberto Hernandez  
Secretary, SVWSC