

SILVER CREEK VILLAGE WATER SUPPLY CORPORATION
Minutes of the Board of Directors Meeting
19 February 2024

Meeting called to order: 1:00 pm by Clint Cagle, President

Present: President Clint Cagle, Vice-President Tim Smith, Secretary/Treasurer Paul M. Miller, Members-At-Large Barry Dawson and William (Butch) Cain, Assistant Business Manager Mary Ann Pennington, Water System Operator Joey Krueger.
Visitors: Gary Plumlee, Larry Wilke; Willis Engineering

Absent: Assistant Water System Operator Jay Everett.

Invocation: Given by Clint Cagle.

Order of Business:

Minutes: The minutes from the January Board meeting were approved.

Ops Report:

Joey Krueger gave the Ops Report. He installed a new meter for Nothnagle. We are waiting for Centex to come back and perform tests on the stand-by generator for the pump house. According to Apex Drilling, the motors in the well house are probably not good, even the substitutes. If we take the motors to Apex they will test them as time is available. The pump is the cheap part, the motor is the expensive part. Joey worked on the plant filter. Calcium has built up inside the filter where the pump was diffusing the water. Just like the filter medium, this will have to be cleaned. This requires more investigation, but we need scaffolding to provide a stable platform for working on the filter. Mary Ann has some that is available – Joey will check. Tim asked about the electrical connection available for well 1/7 that can be used for the office. The CB box determines the power available to the building. Joey will recommend CBs for the box.

Joey will attempt to replace 4 or 5 meters a month. We have 7 meters on hand now. When we get down to 5, he will reorder. We will budget \$100 for each. Right now they are about \$85 each. Clint will tell Joey how many to order.

The water report is inaccurate. The number of gallons of water pumped each month must be changed each month and inserted manually. We have two people who had leaks last month, contributing to the loss. We reported a 17% loss. Our reported loss is an estimate and is controlled by direct input. Every three years we make a report to TCEQ on our water loss. It is a complicated report, but entirely arbitrary.

We have a leak at the Nelson's meter. Also at the Lewis residence.

Paul had a question about where the water loss number is entered into our system. As we keep records now, we have no history of water use each month. That number is entered manually each month and no record is kept in the system.

We do not know what RVS actually does. The Business Manager should have an understanding of that.

Financial Report:

Clint Cagle gave the financial report. The Littletons will clear their balance due next month. Debbie Steel is still in arrears. We discussed the method of collecting delinquent bills (See Tariff).

We have filed our income tax for 2023. According to Clint, it is quite simple. Our cost is \$250 this year. Previous years cost \$500.

We had a deficit of \$65k last year. Our liquid assets are the CDs and the bank account. At the end of 2023, we had \$23,000 in the bank. We made \$114k last year. This year we should have about \$121,000 or about \$11k each month. Fixed cost is about \$6400 each month. We cashed out some of the CDs to have cash on hand to pay for the standby generator for the pump house. Our historically low annual balance is in April.

The SWTP loan payments will not start until 2 years after the end of construction. We must have 60 months of interest in reserve – when we start the payments. What happens if we do not have that? The point is that we depleted our reserve to pay for items that are not due until after we get the loan. Barry tried to make the point that, if we have sufficient reserve when we get the loan, we can reduce the amount of the loan by these amounts rather than increasing our reserve. This is just an exercise in number juggling, but we can save interest charges and be more fiscally sound.

There is an “urgent” class of grants from TWDB. Clint has applied for that grant to help pay for drilling well #7.

Old Business:

Clint had forms from the Bank for everyone to sign - change of address, etc.

The Customer Confidence Report is due at the end of June. The Business Manager is responsible for the compilation and submission of the CCR.

Clint is making a list of reports due to different agencies throughout the year with their due dates.

The password manager is paid for and needs to be installed. An Anti-Virus is installed and should be utilized.

Clint said there is a SCVWSC form for claiming expenses for the Corporation.

We are up to date on election procedures.

Paul said the Texas Open Meeting Act does not apply to us. The Act applies to “a nonprofit corporation organized under Chapter 67, Water Code, that provides a water supply or wastewater service, or both, and is exempt from ad valorem taxation under Section 11.30, Tax Code”. We are not exempt from ad valorem taxation so we are not bound by the Act. See Texas Office of the Attorney General, 2024 Open Meeting Handbook, page 11, V. Government Bodies, A. (K). This does not mean we should not try to comply with the Act, just that we are not constricted by it. If we need to, for instance, take a vote on purchasing a desk for the office, we may do so.

Paul proposed we install a bulletin board outside the office. No action was taken.

We have not signed the Water Conservation Plan. Clint moved that we approve and sign

the plan. Butch seconded, vote passed.

The Board discussed obtaining furnishings for the office. Do we need to wait on purchasing items for the office until the office is completed?

Butch proposed we authorize Barry to look for needed items to furnish the office and spend up to \$1000 for the items. Tim seconded the motion. Motion passed.

Clint will research a printer for the office.

Clint proposed the Business Manager research a portal for the Corp. The Business Manager has the responsibility to review different companies and make a recommendation to the Board next month.

New Business:

Discussed the SWTP route and items with Mr. Plumlee and Wilke. David Galvan is retiring. Plumlee will be the primary contact. He understood that the TWDB is now requiring an environmental study for the SWTP. Clint asked if there is an alternate route. Butch had discussed that with Mr. Galvan. Members of the Board will meet with Mr Plumlee and Mr. Wilke to go over the proposed route.

Barry will compose a definitive list of duties and responsibilities of the Business Manager. We interviewed 3 candidates for the position. The Committee got together afterward and decided to recommend that the Board hire Clint Cagle at \$2k/month. Barry moved that we hire Clint as the Business Manager at \$2k/month starting on January 1st. Tim seconded the motion. It Passed.

Clint suggested buying another computer for the Corp.

Clint asked if the Corp would want a presence in the office. Tim and Butch thought none was required. Barry proposed at least one day a week.

There being no further business to discuss, Tim moved we adjourn. Barry seconded.

Meeting adjourned @ 3:15 PM

Next Meeting: 16 March 2024, (Saturday), 1 PM, at the ELB Community Center.

Any recommendations for agenda items should be forwarded to Paul M. Miller no later than a week before the meeting.