

December 5, 2025

November 13, 2025 – Water Board Meeting of The Grove Water Supply Corp.

Board Members Present: Glenn Schwanke, Guy Mathews, Mike Seiler, and Chris Slaughter, General Manager/System Operator Justin Veazey and Financial Controller Amy Veazey

Glenn asked if everyone had a chance to review the minutes.

Guy made a motion to approve the minutes.

Second by Chris.

Minutes approved

Amy brought up that Susan said there was an error in the September minutes. The minutes stated that the lines to be replaced would be with PVC pipe and it should be with HDPE, High Density Polyethylene. Motion to approve the change by Chris and second by Guy. Change approved.

Glenn said that he and Justin had a meeting with Byron Baird and his wife. He is requesting thirty-three meters so he can proceed with Phase Four. The infrastructure is there. Glenn sent all the information to Miles Whitney. Miles will need to research it. At some point, we will need to update the six-inch line from the treatment plant up to Owl Creek Road with an eight inch to support the entire thing, but we are not sure where the cut-off is going to be, he will have to go back to the minutes and find it. Glenn said he couldn't remember how many meters are left, but he thought it was seventy-nine meters before the line would have be upgraded.

Justin confirmed that there were only so many meters before the line would need to be upgraded.

Glenn said once the engineer determines, we are in a holding pattern until we hear back.

Miles is also working on the rest of the work that needs to be done on that site. He is getting in touch with different contractors/vendors. We have to have a good estimate of how much money it is going to cost. Steel tanks are cheaper than concrete.

Justin said that concrete isn't feasible until you get up to around \$300,000. The steel is so much cheaper, there is so much welding when you get to \$300,000. About four years ago Fort Gates was looking at \$300,000 and the steel was about \$60,000 cheaper than concrete. If you bump up to \$400,000, then the concrete becomes cheaper than the steel.

Glenn said the plan is to have a sixty-thousand-gallon tank put in which would bring us to a position where our reserve capacity would be for standpipe and water storage to be at 56%; right now, we are about 33% over. Adding sixty thousand would put us in a 56% reserve capacity. TCEQ requires us to have 15% reserve capacity. We would fall well within that and have room for expansion as far as customers within the CCN. For DOMO, some things are going to have to happen with the City of Gatesville. I haven't been able to reach him. If I don't hear back from him, we may have to go back to the attorney. He doesn't want any amendments, but amendments are easier than rewriting the contract each time. We know they are going to borrow some money, get some bonds, and spread it out over three years. A lot of improvements are necessary, the lagoon, the pumps and the electrical to run the pumps. We are just waiting to hear. Miles is working on specifications and getting bids. Glenn said he didn't want to get any bigger than the sixty-thousand tank. We can't service DOMO until we get our contract concluded with the City of Gatesville, then we can continue with their needs if at all possible. For them to have water, they would have to build a sizable tank just to service them. We may be limited by the number of acre feet we have as to how many connections he can put in. That is down the road, we have to take care of our customers and Enclave first.

Glenn said he didn't have anything from the general public.

Glenn said there are two board members that are at the end of their term. We need to get all our stuff to the auditors. The notices will continue to go out on the monthly bills for anybody that wants to apply. All applications for the open vacancy will need to be in by the 29th of December.

Amy said she had one lady call and enquire.

Glenn said the board does really well at managing the system. We have a good management team, and Amy takes care of our banking records and billing very well. We have money in the bank and hopefully, we can cover our expansion with four hundred to four hundred fifty thousand. We will keep plugging away and not borrow any money unless anyone has any suggestions.

Mike mentioned that one of our customers' house was flooded due to a leak. They are not asking for anything just letting the board know.

Justin said that the leak was fixed hot. The water was cut off past them; the water was struggling to get over the hill.

Amy said she looked at their bill and there wasn't a big change in their bill.

Guy agreed.

Mike said that water can do a lot of damage and it doesn't take much.

Mike said again that they were not looking for any restitution. They just wanted to let us know.

Glenn said he would like to put a notice on the bills that is the members responsibility to have pressure regulators installed on their side of the meter. This is just a friendly suggestion.

Amy asked if Glenn wanted it on the bills.

Glenn said yes, just for a month or two. He will think about it and come up with a statement.

Justin said that in most areas, the line gets smaller so the pressure. Glenn said most places can't produce more than fifty to sixty pounds of pressure. Justin said most people are wanting sixty to seventy pounds of pressure. Glenn said it really isn't an issue then.

Guy said usually the complaints are the other way then. enough pressure.

Justin said they installed a meter on Deer Ridge. There was a leak on Deer Ridge and we fixed it. The master meter over at the water plant, the pipe where it goes through the vault, they re-mudded it and sealed the vault. All is finished there. Also, the City of Gatesville voted, and they will be raising their minimums in town. They are going to raise the treatment cost of the water. It is going to start off at 302 a thousand is what I was told. They will raise it steadily for the next five years from 302 to 352 come 2030. The cost of treating the water is \$1.96 but the reason they are raising the water is because there is thirteen million dollars' worth of stuff that needs to be done on the infrastructure of the water plant and down at the intake. It is mainly electrical, scada installation, and generators. They have applied through the state for a loan, and they say they have qualified for a forgiveness. That is what will fund all of it. The reason for bringing this up is the minimum where it is now and the rate of water starting off at 635, to make what we are making, now and paying cash for the building and start laying lines. In order to keep making that, if we leave the minimum at 33, the water will have to be at 991 a thousand starting off. Which isn't completely out of whack with the rest of the western part of the area. Maybe do a rate committee and go through the numbers. Also, we have been talking about meter replacements. That is our income, which

is what keeps money coming in. I'm with Susan, we need to start laying line, but we don't want to lose money on the other end. Those meters, ten years a million gallons, it pays you to replace them. The new meter that is out, the radio read that is ultra sonic, it is a twenty-year full replacement warranty. It will be good for the life of the meter. If the battery lasts longer, it will last longer than that. After the first of the year, I will have the salesman come in and talk about it. Justin sat down and figured out a meter replacement program. If we started today, it would be \$1.75 per month, per account to build up the \$400. The lake rights are going up. We are paying 95.00 an acre foot and it is going up to \$106.00 an acre foot next year. In the next ten years, BRA is projecting to go up 6.8 percent to 9.9 percent on any given year. By 2030, it will be \$145.00 an acre foot. The end cost is going to be \$223.00 an acre foot. That comes up to \$5.90 (some odd cents) per meter per month to cover that. It would be good to figure that cost in the minimum. It might be good to crunch some numbers and make the minimum cover the fixed cost and then you don't have to go up so much on the water. I believe Gatesville will have to give notice before they go up on the rates.

Chris said we still have the 400-acre feet. What is that going to cost?

Glenn said it will be same.

Justin said we would have to look at the numbers again once we hear back from the City of Gatesville.

Justin agreed. After the first of the year, buy some meters and as customers request a new meter, they would receive the new ultra sonic. Then as meters need replacing, it would be on as needed basis. It is easier to replace a few at a time than all the meters at once.

Guy agreed.

Justin said that is all he had.

Amy said that last month, there were ten charges for meter clean up. Two customers called requesting that the charge be waived. Once customer said he didn't receive the notice and the other customer had an accident and didn't see the notice on his bill.

Mike asked how much the charge was.

Amy said \$100.

Guy said, waive the fee one time and it would be noted in the account.

Glenn there is a motion to do a one-time forgiveness for the water clean-up fee for \$100. That is for all members as well as Byce Allsup and David Hopson.

Guy made a motion to waive the fee as a one-time courtesy.

Second by Chris.

Motion carries.

Amy said she will note it in their accounts.

Amy also asked if we wanted to put the opportunity to submit applications on next month's billing.

Glenn said yes and the date for the annual meeting.

Amy said there isn't enough room for both, but she would look and see if she could get it in the note section.

Glenn asked if the master meter was broken again.

Justin said it was installed but with the old reading.

Amy said she didn't have the readings to put in the Directors report.

Justin said he was glad to get that meter in. It has been really nice.

Amy said the books are open from TWRA for them to file the imminent domain. That has to be done before February 1st. The cost is \$100.00. I will have that next month.

Glenn asked if the valve was fixed for the scada at the main treatment plant.

Justin said yes, all is done.

Glenn asked if anyone had anything else to discuss.

Guy mentioned that in the proposition four that happened the other day. It was passed and it is a substantial amount of money that the state is allotting to fix leaks on these rural water lines. They are recognizing the amount of treated water that is being lost; not sure how you apply for it, but it sounded like it might be a grant.

Justin said it is supposed to be a billion dollars after the state's GPA reaches 426 billion. We have been doing that pretty regular, state-wise. Not sure how to go about it, but whatever we qualify for would help.

Glenn asked if the agency handling it would be Texas Water Development Board.

Justin said they would be a big part of it.

Chris made a motion to adjourn.

Second by Guy.

Meeting adjourned.

Old Business:

Electrical for building

Replacing meters

Replacing oldest water lines

New Business:

Contract from the City of Gatesville

Proposal for thirty-three meters at the Enclave, Phase 2

Transcribed by Pam Seiler

Date Approved: _____

Secretary/Treasurer: _____

Guy Mathews

