

Sturdivant-Progress Water Supply Corporation

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241 Village Bend Rd.

Mineral Wells, Texas 76067

March 10, 2021

The 56th Annual Members Meeting was held at the Sturdivant Progress office located at 241 Village Bend Rd, Mineral Wells, Texas 76067. In compliance with COVID-19 restrictions, the meeting was held outside in the office courtyard. President, Scott Royal called the meeting to order at 6:40 pm. Officers present were: President, Scott Royal; Vice-President, Nelson Bailey; Secretary-Treasurer, Mike Wells; and Assistant Secretary-Treasurer, Penny Snow. Directors present were: James Slattery, Mike Johnson, Jeff Smith, and J.B. Watkins. General Manager, Billy Brillhart and Employees, Rebekah Da Vault, and Leslie Cottrell were also present. Invocation was given by Nelson Bailey.

President, Scott Royal introduced the Board of Directors, and Guest: C.P.A., Marty Durbin of Crawford, Carter, & Durbin LLP,. There were no outgoing directors: Directors who will continue for another 3 years; Mike Wells, James Slattery and J.B. Watkins.

There were no applications for Board of Directors positions. President, Scott Royal read the resolution for unopposed candidates. A copy of the resolution is on file at the Sturdivant Progress WSC office.

Secretary-Treasurer, Mike Wells read last year's annual minutes of March 10, 2020, Director, James Slattery made a motion to approve the minutes as read. Vice-President, Nelson Bailey seconded and the vote was unanimous.

C.P.A., Marty Durbin of Crawford, Carter & Durbin, LLP, presented a brief summary of the Compiled Financial Report for the years 2019 and 2020. Copies of this Financial report are available to review at the Sturdivant Progress WSC office.

General Manager, Billy Brillhart presented the Purchases & Improvements Report for 2020-2021. Questions from members were answered.

At the end of 2020 we have over 1000 water taps on our system. Due to Covid-19, our annual inspection by TCEQ was done virtually. The current project to expand wells on Hwy 281 has been put on hold. We built a new pressure station in the Fairview subdivision. The City of Mineral Wells raised their rates 3 times in 2020. We absorbed the first 2 and then increased our rates in October 2020. The TxDot Hwy 281 road expansion will make SPWSC move about 2 ½ miles of water line out of state right of way onto private property. If it is necessary to move off of the private property, the company requesting will pay the cost to move. Carter Rd wells tie-in has now been delayed over 1 year, because of state inspections. SPWSC has requested an engineer's hydrologic study of the system. To see where we are at our limits. Employees put in more than 120 hours overtime during the February 2021 Ice Storm Uri. Trying to keep members in water.

No one signed up to speak during time allotted for the public forum. President Scott Royal then asked if anyone in attendance had any questions. There were no questions.

Vice-President, Nelson Bailey made a motion to adjourn the annual meeting. Secretary-Treasurer, Mike Wells seconded.

Annual meeting was adjourned and the Board re-convened for the first business meeting as a new Board.

Directors back in session first meeting of 2020 / 2021 Board of directors.

Director James Slattery made a motion that the officers remain the same as last year:

President – Scott Royal

Vice-President - Nelson Bailey

Secretary/Treasurer – Mike Wells

Assistant Secretary/Treasurer – Penny Snow

Secretary Treasurer Mike Wells seconded and all were in favor.

The Credentials Committee for the 2021/2022 election will be board members, Jeff Smith and Penny Snow, and member from the co-op.

JB Watkins made motion that check signers remain the same as 2020/2021. Mike Wells seconded, and the motion was passed. Directors who have authority to sign checks are President, Scott Royal; Vice-President, Nelson Bailey; Secretary-Treasurer, Mike Wells; and Director, James Slattery.

Director, James Slattery made a motion to adjourn the meeting. Vice-President, Nelson Bailey seconded and the vote was unanimous.

President, Scott Royal

Vice-President, Nelson Bailey

Secretary-Treasurer, Mike Wells

Asst Secretary-Treasurer, Penny Snow