

Stanley Brewer – Cox Subdivision – **President**

Randy Pebsworth – Town North Village – **Vice President** –

Deborah Hunt – Town North Estates - **Secretary/Treasurer**

Adolfo Pompa – Plott Acres

Camila Bonfield – Town North Village

Sheryl Prime – Town North Village

Peggy Jones - Town North Village:

- I. Call to Order-** Stanley Brewer, President
- II. Invocation** – Sheryl Prime
- III. Pledge of Allegiance** - Stanley Brewer, President
- IV. Public Comments**
 - M 1** Approval of September 19, 2024, Board of Directors Meeting Minutes
 - M 2** Approval of October 3, 2024, Board of Directors Meeting Minutes
 - All were in favor of approving the minutes. – **Motion Carried**
- V. Finance and Administration**
 - FA 1** Review and Approval of Invoices to be Paid
 - All were in favor of paying the total of \$62,658.70 **Motion Carried**
 - FA 2** Other Items
- VI. General Counsel**
 - GC 1** Status Update Regarding Smith Family System
 - **Matt McPhail, Winstead**, presented to the board that the process is nearing completion, with all necessary documents having been submitted to the Administrative Law Judge for final processing. Once the judge signs the order, the board will officially take ownership of the system. An update was provided regarding the sale, transfer, and merger of the Smith Family System.
 - GC 2** Review and approval of any required Acquisition Documents
 - This will be further discussed at the next board meeting
 - GC 3** Board approval of the Membership Subscription Agreement
 - This will be further discussed at the next board meeting
 - GC 4** Discussion on Vacant Board position and, if timely, the appointment of a Board Member to fill the remainder of the vacant term
 - **Matt McPhail (Winstead)** outlined the process for appointing a new board member. The process is flexible and at the board’s discretion. Typically, the board identifies a candidate who fits the vacant position. A vetting process, such as a small committee of board members, might be helpful if multiple candidates are interested.
 - The appointed person will serve the remainder of the outgoing board member’s term and be up for election at the appropriate time. It’s important to fill the vacancy quickly to avoid quorum issues, but the board should ensure that the appointee is the right fit.

- If there are any recommendations for a candidate, now would be a good time to discuss them, as the appointment can be made tonight or at the next meeting.
- **Sheryl Prime** introduced Peggy Jones and told the board about her background. She works as a director in the IT Department at Texas Tech University and has lived there since 1995. Over the years, she owned a business but decided that a position with benefits like vacation and sick leave would better suit my needs. She has completed her doctorate in education and currently teaches online courses at Southern New Hampshire University (SNHU). With a background in general business and a strong connection to my community, she believes she can effectively represent the area and address residents' issues.
- The board must confirm Peggy's membership in one of the four systems and verify that she meets all eligibility requirements (e.g., not a felon, residency in the same neighborhood as James Trulock in (Town North Village).
- If the board is in favor, a motion will be made to appoint Peggy Jones to fill the remaining term of James Trulock.
- If the board wants to change the board positions, such as president, vice president, or secretary. You can always make a motion at any board meeting and can take action if needed
- Sheryl Prime motioned to appoint Peggy Jones to the board; all members were in favor. - **Motion Carried.**

GC 5 Other Items

VII. Operations

OP 1 Presentation by Engineer of Preliminary Outline and Schedule

- Alen Phillips, Jacob Martin. Ken Rainwater, the system engineer, discussed the following project overview. A copy of the PowerPoint presentation is available by contacting the board clerk at tammy.peters@anseradvisory.com

Project Conception, Funding Process, Design and Agency Approval, Construction and Implementation

OP 2 Discussion of other Pending Operations items

OP 3 Other Items

VIII. System Manager

SM 1 Board approval of Professional Services Contract for Engineer Services between South Plains Water Supply Corporation and Jacob Martin

- The contract for Jacob Martin is subject to any minor revisions that our general counsel may require to ensure all details are finalized. This provision allows us to make necessary adjustments without delay before the next meeting.
- A motion was made to approve the contract for Jacob Martin, stipulating that general counsel could make minor adjustments before the next board meeting. This addition allows flexibility for minor revisions without requiring further board review, ensuring the contract can be finalized efficiently if minor changes are needed. The board unanimously approved the motion to authorize the contract for Jacob Martin, with the condition that counsel may make minor changes if necessary. A motion was made, Seconded by Peggy Jones, and all were in favor – **Motion Carried**
- If Stan Brewer, the board president, is unavailable, the board approves Robert Sheets, System Manager authorized to sign the agreement between South Plains Water Supply Corporation and Jacob Martin

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SM 2 Approval of Professional Service Contract for Operations and Maintenance and Customer Service and Billing with US Water

- The board reviewed the contract for U.S. Water to take over specific duties previously held by Patterson, though some adjustments are still needed. Robert, Lenita, and others have reviewed the major terms.
- The board discussed transitioning all operational duties from Patterson to U.S. Water. U.S. Water will assume full responsibility for all services previously managed by Patterson.
- Once existing contracts have been fulfilled, the board will formally announce to all customers. This communication will introduce U.S. Water and outline the transition process.
- The board reaffirmed the commitment to work within the current budget and explore cost-saving opportunities to reduce operational expenses.
- Options are being considered to partner with local communities facing similar challenges to potentially share resources and reduce labor costs.
- U.S. Water has committed to providing full-time employees who will work on-site, 8 hours a day, 5 days a week.
- The board authorized the approval of the contract, pending final adjustments and approval by both the general counsel and the general manager. The contract includes termination flexibility. - all were in favor – **Motion Carried**

SM 3 Board Discussion of the Amortization of WXF Loans

- Mr. Sheets briefly explained the WFX loan: The board discussed the \$250,000 loan from WFX, which would reduce monthly payments from \$7,500 to \$2,900 by extending the term from 3 to 7 years at a 3% interest rate. This amortization would significantly reduce monthly operating expenses, creating immediate financial relief.
- There is potential for further adjustment if a grant application allows for paying off the loan or amortizing it to 15 years.
- The board approval was granted to approach WFX to amortize the loan. - all were in favor – **Motion Carried**

SM 4 Set Date for the November and December Board Meetings

- The board set the next regular board meetings for Nov. and Dec. are scheduled for November 21, 2024, and December 12, 2024 - all were in favor – **Motion Carried**

SM 5 Other Items

IX. Board Items

BD 1 Other Items

- Robert Sheets, System Manager, discussed that the board is working on the first draft of the 2025 budget, targeting cost reductions. The board hopes to implement a rate reduction in January, and updated usage data is expected soon.
- The budget draft will be reviewed in November, informed by more reliable usage data to set accurate rates.

Adjourn