

Stanley Brewer-Cox Subdivision -President  
Randy Pebsworth - Town North Village - Vice President  
Deborah Hunt - Town North Estates - Secretary/Treasurer  
Sheryl Prime- Town North Village  
Peggy Jones - Town North Village  
Stephen Wiggins - Town North Village

**Call to Order:** Stanley Brewer, President

**Invocation:** Sheryl Prime

**Pledge of Allegiance:** by all

**Public Comments:** None

### **Minutes**

#### **M 1 Approval of the September 18, 2025, Board Meeting Minutes**

- A motion was made to approve the minutes from the previous meeting was made by Stanley Brewer and seconded by Peggy Jones. All were in favor. - **Motion Carried**

### **Finance and Administration**

#### **FA 1 Review and Approval of Invoices to be Paid**

- Lanita McCauley Bates, Accenture: Presented a detailed review of invoices totaling \$44,355.37 including professional services, laboratory fees, loan repayment, taxes and attorney fees. There was \$44,000 booked last month. A motion was made to approve the invoices made by Randy Pebsworth and seconded by Stanley Brewer-Cox, President. All were in favor. - **Motion Carried**

#### **FA 2 Financial Overview**

- Christine Conley, Accenture: Discussed the budget for the first 3 months of 2025, the expenses exceeded budget, primarily due to emergency repairs. A preliminary 2026 draft budget has been prepared. The substantial increase is increasing the insurance budget by 40% due to the asset transfer.
- Lanita McCauley Bates, Accenture: Reviewed the notes for the 2026 budget, there is a 5% bad debt expense allocation. We are evaluating some rate savings though it is recommended that there be a rate increase. We are trying to negotiate the insurance and what the coverage terms would be. Insurance covers assets: the wells and pumps.  
**Action:** Obtain quotes from two other insurance companies. Discuss shutting people's water off and collecting revenue from the people who are not paying possibly increase of deposit depending on consumption.

### **General Counsel**

#### **GC 1 Status Update Regarding The Sale, Transfer, and Merger of The Smith Family System**

- Matt McPhail, Winstead; Update on the tariff, to get a better set of rules and information on the rates. Getting a proper comprehensive tariff that matches other water supply corporations. Should have a tariff by January for the board to review.

#### **GC 2 Other Items**

### **Operations**

#### **OP 1 Engineer Status Update**

- Josh from Jacobs Engineering provided RWAP application update. Spoke to the project engineer earlier this week and they are looking at the application to ensure it gets reviewed quickly, so we do not have any comments at this time. The water board mentioned they are working on getting us a commitment date.
- Discussed the Emergency Water system Improvements project. They had open bids for the project and received 2 bids. The lowest bid, \$190,000 was Thunder Pump Service, a local company, and another bid from Deerwood Construction. Our administrative team is reviewing both bids and will have a recommendation package for the next board meeting.

## **OP 2 U.S. Water Status Update and**

## **OP 3 Customer Service Updates**

- Wes Fonnllth U.S. Waters; Discrepancies in customer use versus the well usage remain. Replacing a 2-inch meter could be \$1,500 versus the \$80-\$100 residential meter. Improvement in leaks so that should help the budget.
- We have gotten back some of our locks, so we do not need to order more. Will need to get some additional 90 degree boxes, currently contacting different suppliers for pricing.
- Had to call the Sheriff for someone repeatedly tampering with the meter and made a report. Sheriff will need to list someone on the board as a contact person for the report. South Plains Water Co-op will be in the report, but it needs to list a person as the agreed party as a point of contact.
- Only had to purchase one compressor for Town North Estates. The 2<sup>nd</sup> compressor is not running at full speed, checked the breakers and voltage and it seems we have some kind of electrical issue there. Will get an estimate for the repairs.
- The inspection at Cox was today, we will schedule the remaining 3 systems next month. They will want to see the EPP and probably customer service agreements soon. They also wanted to know how we are tracking complaints.

## **OP 4 Unauthorized Water Usage/Easement Rights**

- Smith property: We have an easement for original well, the newest well is in the easement that the powerlines are on. It would not be good to give them water services for free. We could possibly swap land with them, but it would not be good to give them water services for free. It may be good to bring in Mr. Wallace to negotiate with the Smiths, he is approximately \$50 an hour. We would like to put it on the board agenda for next month to decide.

## **OP 5 Other Items**

- Lennar Homes – called and they are doing preliminary due diligence on buying some land, they would want South Plains to supply the water. It will be at least 3 years from now, but it is an opportunity to get an influx of money. Will hope to have any update next month at where they are looking to expand. We would want to keep this expansion in mind with current design work.
- Air Force are starting to plan their design of a pipeline to connect the well one-sided plot to the well two-sided plot.

## **System Manager**

### **SM 1 Board Action and Approval: City and Peoples' Bank accounts**

1. Remove Signatories: Robert sheets and Tammy Peters
  2. Add signatories: Lanita McCauley Bates and Christine Conley
- The board will approve removing Robert Sheets and Tammy Peters as signatories on the bank accounts. They also approve of adding Lanita McCauley Bates and Christine Coneley as signatories to the accounts. A motion was made to approve the signatories by Peggy Jones and seconded by Randy Pebsworth, Vice President. All were in favor. - **Motion Carried. The Letter was signed by Deborah Hunt and Randy Pebsworth**

### **SM 2 Board update on Communities Unlimited Loan**

- Lanita McCauley Bates, Accenture: Communities Unlimited stated they would give us another \$200,000 but they want the Smith family loan to be paid regardless of whether we receive the grant. We do not recommend the board take on another liability of \$200,000.

### **SM 3 Board Discussion and Approval to Proceed with Alternative Loan Option with US Water**

- Lanita McCauley Bates, Accenture: Discussing \$200,000 loan from U.S. Water, anticipate the same terms and conditions as Communities Unlimited. There is only 4% interest only, for 18 months then convert to 10-year loan that would be interest and principal. A motion was made to approve Matt to work with Stan to negotiate the final terms with U.S. Water by Peggy Jones and seconded by Randy Pebsworth, Vice President. All were in favor. – **Motion Carried.**

**SM 4 Board Update on the Grant Funding**

**SM 5 Set Date for the Next Board Meeting**

- The next board meeting was scheduled for Thursday, November 20, 2025.

**SM 6 Other Items**

**Board Items**

**BD 1 Other Items**

**Adjourn**

November 20, 2025  
Dates Minutes Approved