

Stanley Brewer – Cox Subdivision – President  
Randy Pebsworth – Town North Village  
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:** Stephen Wiggins

**Pledge of Allegiance:** by all

**Public Comments:** None

## Minutes

**M 1** Approval of the October 23, 2025, Board Meeting Minutes

- A motion was made to approve the minutes from the previous meeting by Stanley Brewer and seconded by Stephen Wiggins. 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 \$47,893.53 including professional services, laboratory fees, loan repayment, tax notices, and 2 months of attorney fees. There was \$44,000 booked last month. A motion was made to approve the invoices made by Sheryl Prime and seconded by Stanley Brewer-Cox, President. All were in favor. - Motion Carried

**FA 2** 2025/2026 Cash Projections

- Christine Conley, Accenture: Presented the cash projections, showing the financial position through November 2026. Based on current revenue and projected expenses, they would exhaust cash reserves by June 2026 if no additional funding is secured or rate increases implemented.

**FA 3** Updated Draft Budget Review

- John addressed the draft budget, with a rate increase there would be around \$15,500 net income remaining in 2026. Without a rate increase the projections would be negative \$52,200 for net income. This budget includes the loan payments.
- The board discussed a potential rate increase, with concerns about the financial burden on customers. The decision on the rate increase was tabled until January or February to await further information on grant funding.
- Allen gave an update for the grant. They are looking at a commitment of January to February 2026. Estimated 90-day closing period after approval, targeting late spring 2026 for fund availability.

**FA 4** Other Items

## General Counsel

**GC 1** Budget Approval Process

- Matt McPhail, Winstead explained the legal requirements and flexibility for the budget approval process. The board plans to adopt the budget in December. If there are significant events that change the budget projections it can be adjusted throughout the year. There is nothing statutory that says you must complete

the budget by a certain date; however you will want to keep it on schedule. Matt recommended keeping it in December every year.

## **GC 2 Rate Modification Process**

- Matt McPhail, Winstead discussed the rate modification process, emphasizing the board's ability to govern rates without PUC approval unless 10% ratepayers file an appeal. This allows the board the freedom to adjust the tariffs without having to go through the cost and expenses of the regulatory oversight, this will help keep costs down. It would be easier to update policies and tariffs in conjunction with any rate changes. If the rate change does not go into effect until later next you can still update policies and tariffs now and then a second change once a decision is made regarding a rate increase.

## **GC 3 Discussion of the Annual Meeting of 2026**

- Matt McPhail, Winstead outlined the planning for the 2026 annual meeting. The meeting must be held within the first five months of the year. Last years meeting was April 24th, so it is recommended to have the annual meeting around April again. If the meeting is going to be in April then that would probably need a February board meeting that sets the date for the annual meeting, sets the election auditors and finalizes the ballot forms so all the prep work for the meeting is handled. If you want the annual meeting earlier, we will need to move up the planning as we do need to mail out notices at least a month in advance. We must go through the process of collecting ballots for anyone interested in running for the board including existing board members that are up for election. We will provide more information about what is required in January.

## **GC 4 Other Items**

- Update on the PC, the temporary rate docket has been recommended for final approval.

## **Operations**

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

- Presented by: Allen Phillips (Jacob Martin), The Water Development Board has some comments that they will be getting over regarding the application, they have already done the environmental review, so they are working through those.

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

### **OP 3 Customer Services Update**

- Wes Fonnllth, U.S. Water: discussed U.S. Water and Customer Service updates. Costs this month improved because we have not had as many problems to deal with.
- Received violation notices for late lab sample submissions. This is out of our control as a third party submits the samples.
- Readings are consistent since the beginning of the year. One thing to notice is that we are down by about 10 paying customers from September to October. A few people have built their own wells.
- The recent inspection has had minor low-cost maintenance issues. They are going to send a list of things we need to do; we will take care of the easy items and then get an extension on other items as needed.

### **OP 4 Board Discussion & Action: Contract for Emergency Repair Work**

- Presented the bids for the emergency improvements project, recommending awarding the contract to Thunderpump Service. The total award amount is \$139,719.26, contingent on securing funding from US Water. Since the bids came in so good, we would propose adding the additional flush valves in at roughly \$3,000. That would be a change order of \$9,000 to add three. Approximately \$36,000 available for improvements or contingency fund. Contract execution would be dependent on securing the \$200,000

loan from US Water. A motion was made to approve the bid with Thunderpump Service contingent on receipt of the funds made by Stanley Brewer and seconded by Peggy Jones. All were in favor. - Motion Carried

- They will start the draft of the contract document between the board and Thunderpump Service. We will send Thunder the contract so they can get their bonds in place as the process usually takes about 3 weeks. The execution of the contract will be contingent on getting the funds.

**OP 5 Other Items**

- EPA is encouraging the City of Lubbock to help small public water systems in violation. It is preliminary discussion, only no immediate implementation is expected. It could potentially involve the city providing water service to the area, there would be other details about what the city would own and what the system would look like.

**System Manager**

**SM 1 Board Update on the US Water Loan**

- Lanita McCauley Bates, Accenture: Negotiations continue regarding the loan and finance terms. US Water proposed a 5.6% interest rate versus the requested 4%. It would be interest only for an 18-month period until grant funds become available. We need further time to analyze and bring back what the number would look like with 5.6% interest.

**SM 2 Set Date for the Next Board Meeting**

- The next board meeting was scheduled for Monday, December 29, 2025.

**SM 3 Other Items**

**Board Items**

**BD 1 Other Items**

Adjourn

January 6<sup>th</sup>, 2026  
Date Minutes Approved