Peggy Jones– Town North Village – President

Randy Pebsworth – Town North Village – Vice President

Sheryl Prime – Town North Village - Secretary/Treasurer

Stephen Wiggins – Town North Estate – Asst Secretary/Treasurer

CJ Leonard - Town North Estate

Call to Order: Peggy Jones, President

Invocation: Randy Pebsworth

Pledge of Allegiance: by all

Public Comments: Board received public comments and discussed serval customer account matters**.**

- Passing of board member Eugene Bagwell
- Nancy – she received a bill with her neighbor's name and her address and believes their bills have been switched. She did not receive her bill and will check with her neighbor.
- A customer billing concern from 6906 CR6130 involving a prior leak was discussed. The board recalled that it had previously approved removal of charges above the customers' normal usage, board members noted that the account adjustment might not yet be reflected on the bill. Christie will reach out to US Water to try and get resolved.
- James Adams Account/Service Restoration 8222 CR 5830

  Michele Crawford was present to represent James Adame. He has been shut off, and his meter has been padlocked. He is living on social security; they called and talked to David Salinas. David pulled the bills and sent them to James. David asked them to come to the board meeting, but David had an emergency and was unable to attend. Christie is going to pull all the information and follow up with David. James is hoping to get some of the late fees removed to help them get his account current. They also feel like he may have had a leak one month since his bill was so high. The customer requested US Water leave the water turned off after they take the locks off until James Adam can get the leak fixed. A motion was made authorizing US Water to waive all late fees for James Adam's account at 8222 CR 5830, restore service and leave the remaining balance due, subject to the condition that within 90 days the outstanding balance is either paid in full or the customer is making regular payments tow the past due balance by Peggy Jones and seconded by Randy Pebsworth. All were in favor. **- Motion Carried**

Minutes

M 1 Approval of the May 28, 2026, Board Meeting Minutes

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

Finance and Administration

FA 1 Review and Approval of Invoices to be Paid

- Christie Conley, Accenture: Presented a detailed review of standard operating invoices for May and June totaling $42,686.83, including professional services, loan repayment, and attorney fees. The Anser and the Winstead invoices are through May. A motion was made to approve the invoices by Randy Pebsworth and seconded by Sheryl Prime. All were in favor. **- Motion Carried**

FA 2 Grant Funds Payments Accounting

- Christine Conley, Accenture: Discussed Grant funds payment accounting. No grant funds have been spent at this time. Outlay #1, has been submitted. Once we receive the Grant funds we will pay the items included in Outlay #1. Christie will provide the board with a transparent monthly update on the grant funds.

FA 3 Other Items

- Christine Conley, Accenture: Presented a banking resolution to update authorized signers and online access for the Peoples bank account. Requesting that we add Kenneth Rainwater as an authorized signer. A form was presented and signed. A motion was made WHEREAS, the Board of Directors of South Plains Water Corporation has elected and appointed officers and directors to serve the Corporation; and WHEREAS, it is necessary to update the authorized signers and online banking users for all South Plains Water Corporation accounts maintained at Peoples Bank; NOW, THEREFORE, BE IT RESOLVED that all previous banking resolutions, signer authorizations, online banking access permissions, and related account authorities previously granted by South Plains Water Corporation for any accounts maintained at Peoples Bank are hereby revoked and superseded by this Resolution, effective immediately upon adoption. BE IT FURTHER RESOLVED that the following individuals are authorized signers on all South Plains Water Corporation accounts held at Peoples Bank and shall have authority to sign checks and other banking documents on behalf of the Corporation. The following will are authorized to access the Corporations online banking platform and view account matters:
    - Peggy Jones, President
    - Randy Pebsworth, Vice President
    - Sheryl Prime (Garduno), Secretary/Treasurer
    - Stephen Wiggins, Assistant Secretary
    - CJ Leonard, Assistant Secretary
    - Lanita McCauley-Bates (Accenture)
    - Christine Conley (Accenture)
    - Kenneth Rainwater

  by Peggy Jones and seconded by Randy Pebsworth. All were in favor. - **Motion Carried**. The form is attached to these minutes.

General Counsel

GC 1 Status of Easements and Potential Real Estate Acquisition

- Matt McPhail, Winstead: Currently there are no updates, will be a standing item.

GC 2 Open Meeting Training

- Matt McPhail, Winstead: Discussed open meeting training. Board members are encouraged to complete the training quickly as possible if they have not yet done so. Feel free to reach out to Matt if you have any questions or issues with training.
- Matt McPhail, Winstead: The board was reminded that two board positions remain vacant and that despite vacancies, the quorum requirement does not change. We need to have 4 people to make a quorum during meetings. Members were encouraged to identify qualified customers who may be willing to serve for the remainder of the terms. To join the board, they will need to be approved by the existing board members as long as they meet the requirements.

GC 3 Authorized Signatories

- Matt McPhail, Winstead: Recommend adding individuals with signatory privileges for general business items of the board so nothing is missed between meetings. The individuals would be authorized to sign items related to general business, perform duties that don't explicitly require board member approval, and handle time sensitive situations. This would ensure we have the flexibility to make sure we don't miss deadlines with compliance work and interactions with TCEQ. A motion authorizing the following individuals, Lanita McCauley Bates, Christine Conley, Kenneth Rainwater and Robert Sheets to perform managerial tasks and be authorized signatories on behalf of SPWSC by Randy Pebsworth and seconded by Sheryl Prime All were in favor. - **Motion Carried**.

GC 4 Other Items

Operations

OP 1 Engineer Status Update

- Allen Phillips, Jacob Martin: Status and timeline of the 3.3million funding, submitted outlay #1 on June 4th. We will work on submitting environmental reports throughout the year. When the 3.3 million application was first submitted we decided to focus on physical infrastructure improvements rather than water treatment, so this first grant money does not have any of the water quality items. To continue to get grant money we need to do the income survey.
- Income Survey Initiative: A community income survey is being launched to qualify for additional grant funding. Pre-notice letters are being mailed this week, with full survey packages to follow between June 29th and July 3rd, targeting completion by end of July. The flyer is to be posted on the SPWSC Facebook page, Sheryl will post it on Facebook.
- TCQ administrative contact change, signing a letter stating the administrative changes with board members positions to update contact information.
- Enforcement order for Plott Acres: Agreed order for Plot Acres four quarters of exceedances of fluoride at Plot Acres. In this letter there is a fine of $1462 and a timeline for complying, it is 365 days after the agreed order is signed. The agreed order must be signed and the fine paid within 30 days of the date of the letter that brings us to July 11th. We can submit what's called a supplementary environmental program, this is an application to propose an alternate project that you are going to pay, if approved this would be in place of the fine. An example would be a donation to a nonprofit organization or making community updates. We are going to try and utilize the cost that we spent on the Website, we will write up an application and ask if the cost of the website can be used to offset the $1462 fine, we have 15 days to do this. If they deny our application, we will need to sign the agreed order and pay the enforcement fine.
- Carlos Rubinstein, RSAH2O: Reviewed the process and recommend that the board agrees to the agreed order, the order includes a 20% reduction in the penalty amount. We will try to get a SEP, Supplemental Environmental Project approved.
- Ken Rainwater – Consumer Confidence Report (CCR) summarizes the 2025 analytical work for the different chemicals, put together by U.S. Water. The analytic information from last year is pretty much the same as previous years. Reviewed the results, the CCR's are posted on the website. With the 11 million dollars we are trying to get we can start treatment.
- Carlos – Due to the Safe Harbor act, we were able to wipe the slate clean from when it was under the Smiths, we are only responsible for the notices going forward.
- Allen Phillips, Jacob Martin: First we will submit the SEP application, if they approve, they will send us a revised letter, agreed order to sign. The recommendation is to sign the letter before the next meeting. A motion was made to accept and sign the enforcement order as it is and continue to try to get the fine reduced or removed by Peggy Jones and seconded by Randy Pebsworth. All were in favor. **- Motion Carried**
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OP 2 U.S. Water Status Updates

- U.S. Water representative: not present

OP 3 Customer Services Update

- U.S. Water representative: not present

OP 4 Summary of Laboratory Results

- U.S. Water representative: not present

OP 5 Other Items

System Manager

SM 1 Discussion of Community Open House

- Robert Sheets, Accenture representative, suggested scheduling a community workshop in conjunction with the August board meeting to explain how, when, and where the funds will be spent. The Board discussed offering a workshop or presentation for customers. Members noted that attendance may be limited without food; however, they did not want to spend funds on concessions. A suggestion was made to hold the event in September after school resumes. The Board reached a consensus to hold the workshop on September 17 without concessions.

SM 2 Set Date for the Next Board Meeting

- The next board meeting was scheduled for Thursday, July 16, 2026.

SM 3 Other Items

Board Items

BD 1 Other Items

Adjourn

July 16, 2026

Date Minutes Approved