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: Randy Pebsworth

Pledge of Allegiance: by all

Public Comments: Discussion of Anne's water situation, increased bill**.** Need to have someone come out and check for leaks. U.S. Water will reinvestigate the meter readings.

Minutes

M 1 Approval of the February 26, 2026, Board Meeting Minutes

- A motion was made to approve the minutes from the previous meeting by Stanley Brewer and seconded by Randy Pebsworth. 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 $123,575.01, including professional services, loan repayment, and attorney fees. This included an annual insurance payment, making the invoice totals higher than prior months. Additional costs included putting the RFP in the Beacon and work Thunder Pump performed. A motion was made to approve the invoices by Stanley Brewer and seconded by Sheryl Prime. All were in favor. **- Motion Carried**

FA 2 Emergency Repair Payments Accounting

- Christine Conely, Accenture: Discussed the money used from the $200,000 for emergency repairs, showing what remains in Contract 1 and Contract 2. There is approximately $79K remaining with Thunder Pump.

FA 3 Proposal and Approval of Resolution to Accept TWDB Grant

- Lanita McCauley, Accenture: Working toward a close date of May 30.
- Working to get a SAM registration number, which is a government identifier that will allow you to accept the grant money. We need a physical location for the entity to set up the SAM registration, and we suggest using Ken Rainwater's address.
- We need to approve the resolution accepting the $3.3 million grant funds. A motion was made to approve the TWDB Grant made by Randy Pebsworth and seconded by Stanley Brewer. All were in favor. - **Motion Carried**
- Grant paperwork was signed by the board vice president and the secretary.

FA 4 Propose and Approval of Motion to open a new bank account for the TWDB Grant funds

- Christine Conely, Accenture: Request that the board authorize the establishment of a new bank account with People's Bank for the purpose of administering funds associated with the TWDB grant. This account will be for the TWDB grant only, the money will move from escrow into this account, allowing us to write checks from the grant funds for payments. A motion was made to open a new account at People's Bank for the grant by Randy Pebsworth and seconded by Stanley Brewer. All were in favor. **- Motion Carried**

FA 5 Propose and Approval of Motion to Disperse the TWDB Grant funds as needed

- Christine Conely, Accenture: Propose to allow staff to process grant/draws payment to avoid late fees; there will be monthly board reporting for transparency. This would give us the opportunity to pay bills on time and not wait for approval at the board meeting. If the board wants to be involved there could be a committee of one or two that can approve disbursements. Discussion tabled until next month.

FA 6 Propose and Approval of the Escrow Agreement for the TWDB Grant

- Josh Baker with Jacob Martin described the escrow process. Once we get into construction, typically the contractor would do the work. Then we will go out and verify the work, and the contractor will submit a pay request. This will be sent to the board to review and request a draw from the funds. Once the escrow agent receives authorization, they will send that amount from the escrow account into the People's Bank account, we can then write the check to pay the contractor. A motion was made to approve the escrow agreement by Stanley Brewer and seconded by Sheryl Prime. All were in favor. - **Motion Carried**.

- The escrow agreement was signed by Stanley Brewer.

FA 7 Propose and Approval of Motion to sign a contract with a collection agency

- Lanita McCauley, Accenture: Would like to work with a collection agency due to aged delinquent accounts.
- Christine Conely, Accenture: The quote we received was high. Going to get 2-3 proposals for comparison and can review next meeting. Discussion tabled until next month.

FA 8 Other Items

General Counsel

GC 1 Discussion on Annual Meeting

- Matt McPhail, Winstead: The annual meeting is scheduled for April 30th; it will be held right before the monthly board meeting. Both meetings are open to the public.
- We will have a canceled election: two applications for two positions. To be deemed elected by board resolution at annual meeting for full three-year terms if eligible. One vacancy remains; the board can appoint for remainder of the term during any board meeting.
- Recommend assigning the board member positions at the annual meeting. The board members will decide who will hold what position. All positions have equal rights.

GC 2 Status of Easements and Potential Real Estate Acquisition

- Matt McPhail, Winstead: Currently there are no updates

GC 3 Selection and Approval of Consultants

- Lanita McCauley, Accenture: Reviewed the different RFPs that were received. We received two proposals for counsel: Winstead and Norton Rose. Contract terms will be for three years; contracts are due on April 7th.
- Legal Counsel – Winstead selected to provide both general and bond counsel services for continuity and efficiency. A motion was made to approve the Winstead contract for general and bond counsel by Stanley Brewer and seconded by Peggy Jones. All were in favor. - **Motion Carried.**
- System & Program Management - Accenture selected as system manager and overall grant program manager. A motion was made to approve the Accenture contract for project and system managers by Stanley Brewer and seconded by Peggy Jones. All were in favor. - **Motion Carried.**

- Engineering – Jacob Martin selected as system engineer for grant-funded design/construction. A motion was made to approve the Jacob Martin contract for engineering services by Stanley Brewer and seconded by Peggy Jones. All were in favor. - **Motion Carried.**
- Rate Analyst – Not engaged at this time, can be reconsidered when system is profitable and stable. Team will continue to handle budgeting and rate assessments. A motion was made to not use a rate analyst by Stanley Brewer and seconded by Peggy Jones. All were in favor. - **Motion Carried.**
- Staff Engineering – Retained Ken Rainwater for local engineering support. A motion was made to approve Ken Rainwater as the engineer by Stanley Brewer and seconded by Peggy Jones. All were in favor. - **Motion Carried.**

GC 4 Other Items

- Matt McPhail, Winstead: Bylaws/Articles cleanup: Counsel to align bylaws language with seven directors and terms for clarity. This is an administrative cleanup only and no member vote will be required.

Operations

OP 1 Engineer Status Update

- Josh Baker, Jacob Martin: Update on ROF funds; the next step will be execution of all the agreements for professional services, then they will be sent to the Water Board for review. The next step will be closing toward the end of May.
- Drinking Water State Revolving Fund, submitted the bid earlier this month, will probably not hear anything back until the end of the year.
- Looking at other alternatives to increase odds and get a higher ratio of grant funds. One discussion is with the South Plains Association of Governments to do the income survey. We have a meeting next week and should have an update next meeting.
- US Water loan construction project. Things are coming along great at all sites. There will be a water outage next week, to put in remaining valves. We have a few pumps that still need to be installed but we are ahead of schedule and should be completed with construction in the next 2-3 weeks: then final inspections and payments to contractor.

OP 2 U.S. Water Status Updates

- Brian, U.S. Water representative: Valves: all installed except Town North Village, outage scheduled for Monday. Level indicators installed on ground storage tanks and air-to-water ratios set on pressure tanks. Quite a few water meter replacements.
- David Salinas, U.S. Water representative – EPA inspection on the 6th. In process of obtaining quotes for the removal of the chemical drums that were utilized with old treatment systems.
- Site security: fencing improvements may be required at several wells.

OP 3 Customer Services Update

- Sent a list of delinquent accounts to the board for review. Would like to start sending them to collection after 90 days after we set up an agreement with a collection agency.
- U.S. Water is trying to clean up the accounts on file so there is good data on file.

OP 4 Summary of Laboratory Results

- David Salinas, U.S. Water representative: No new lab results have been received.
- Brian, U.S. Water representative: First quarter sampling completed; Town North Village Well #2 back in service, adds to sampling scope/cost. Lab reporting delays continue.
- Will check the account showing high consumption. Some customers have had leaks, but they are not surfacing due to the dryness. Check to see if the meter is rolling to determine whether there may be a

leak on the property. Brian will contact both customers; he can identify whether there is a leak, but it would be up to the customer to determine where the leak is and to fix it.

OP 5 Other Items

- David Salinas, U.S. Water representative: Sanitary control easements update needed; prepare for the EPA. Josh will ask Allen for the status of requesting an exception for the sanitary control easement for those properties within 150 feet of the well.

System Manager

SM 1 Set Date for the Next Board Meeting

- The next board meeting was scheduled for Thursday, April 30, 2026.

SM 2 Other Items

- Lanita McCauley, Accenture: Ask that we make an official appointment of Ken Rainwater's home address as the new physical address. A motion was made to accept Ken Rainwater's address by Stanley Brewer and seconded by Randy Pebsworth. All were in favor. - **Motion Carried.**

Board Items

BD 1 Other Items

Adjourn

May 28, 2026

Date Minutes Approved