

DEBERRY WATER SUPPLY CORPORATION DIRECTORS MEETING

Date: **January 13, 2026 @ 6:00 pm [Part A]**

Place: De Berry Fire Station

Attendees:

Sara Edwards – President

Morgan Irvin – Secretary/Treasurer

Mary Robinson – Board Member

Matt Tillman – Vice President

Steve Werner – Board Member

5 Members attended.

1. The DeBerry Water Supply Corporation (Corporation) Directors Meeting was called to order by President Sara Edwards. A quorum of the Directors was present.

Public Comment

2. There were no public comments offered.

Consent Agenda

3. The minutes of the December 9th board meeting were reviewed. Edwards moved to approve the minutes and Werner seconded the motion, which passed with all in favor. The approved minutes will be uploaded to the website.
4. The bills were reviewed and paid by the Board members.
5. The Board discussed the drafted response to a recent Leak Adjustment Request. The affected member was present, and the Board communicated that once the member submitted an Application for DWSC and verify that a customer-side cut-off valve and check valve were installed, then the Leak Adjustment would be approved. Of note: There are numerous accounts for which a membership Application is not on file, and many accounts do not have the required customer-side cut off/check valve installed. Requiring these actions as part of the Leak Adjustment process is part of the overall effort to bring the overall system into compliance with Texas State requirements and good practice.
6. The financial summary for December 2025 was presented, along with the quarterly summary for CY2025-Q4. Bookkeeper Irvin covered key points of the summary. Werner moved to approved the 4th quarter financial report, Edwards seconded the motion, which passed 4-0. (Irvin recused herself from the vote, as she is the Bookkeeper.) Of note: The Financials for CY2025 will be considered for approval at a future Board Meeting, after the official Annual Audit is completed.
7. Edwards proposed replacing Administrative Costs with an Application Processing Fee to more clearly reflect what the charges are for Standard, Non-Standard, and Re-Service Applications, and presented the suggested wording change for Section G. Rates and Service Fees (see Attachment 1, below). Edwards moved to accept the proposed wording change, and Irvin seconded the motion. After discussing the elements of the wording, the Board approved the motion, 5-0.
8. Edwards presented Irvin with the Conflict of Interest Policy affirmation, in keeping with good management practice for DWSC. Irvin acknowledged the policy and signed the letter without issue.

System Updates

9a. Werner presented the Directors Report for the month of December 2025:

- Water produced (pumped and treated) by the Corporation was 2,598,800 gallons, and water sold was 1,276,500 gallons, resulting in a Percent Sold figure of 49.1%.
- The average Percent Sold year-to-date is 53.5%.
- Another 5.8% was attributed to routine flushing operations, leaving 45.1% of the water produced being cited as lost. We know there must be significant leaks in the system and the system operators continue working on finding and correcting such leaks. Another possible mitigating factor is the potentially significant amount of air that is being drawn from the wells. We postulate that this air tends to cause the well meter impeller to spin faster and lead to an over-counting of the water being drawn at the well. The Board is working to determine the extent of over-reporting of production due to the air in the lines. To the extent that the air in the lines is causing inaccurate production figures, the Percent Sold and Water Loss figures may improve substantially.

9b. Edwards reported 4 disconnects and 2 reconnects during December 2025.

10. Edwards provided an update on DWSC pursuit of grants and state funding:

- Edwards indicated the USDA grant application is still very much in play. DWSC has conducted significant engineering analysis in response to USDA requirements and is currently actively working on recent USDA requests for further information.
- Edwards provided information on recently-passed HB-500 legislation, with wording that effectively excluded non-profit Water Supply Corporations from state grant eligibility. This unfortunately also excludes the De Berry WSC. Edwards reported that there may be some hope in reversing this exclusion if the various State and Federal Representatives/Senators will engage. We will post the contact information for the State and Federal elected officials on the DWSC website. See: <https://deberry.myruralwater.com/>.

Having concluded the business cited in the published agenda, Edwards moved to adjourn, Werner seconded the motion, and all approved.

Meeting adjourned.

DEBERRY WATER SUPPLY CORPORATION DIRECTORS MEETING

Date: **January 13, 2026 @ 7:30 pm [Part B]**

Place: De Berry Fire Station

Attendees:

Sara Edwards – President

Morgan Irvin – Secretary/Treasurer

Mary Robinson – Board Member

Matt Tillman – Vice President

Steve Werner – Board Member

3 Members attended

1. The DeBerry Water Supply Corporation (Corporation) Directors Meeting was called to order by President Sara Edwards. A quorum of the Directors was present.
Of note: This second meeting was called separately, since the agenda posted for the first meeting inadvertently omitted the necessary actions needed to prepare for the upcoming DWSC Annual Elections. A second agenda was posted, per DWSC regulatory requirements, to cover the DWSC Annual Elections preparatory actions.

Public Comment

2. There were no public comments offered.

DWSC Annual Elections Preparatory Actions

3. Werner moved to select Albert and Kayla Williams to serve as Independent Election Auditors for the Annual Elections. In this capacity, the Williams will have exclusive access to the ballots and will count the votes while assuring that no account's vote is counted twice. The Williams served as the Independent Election Auditors in the 2025 elections and have agreed to serve in the same capacity for the upcoming 2026 DWSC Annual Election. Robinson seconded the motion, which passed 5-0.
4. The board recognized that upon closure of the Board Member application window on January 21st, there will be five days in which to conduct a Special Meeting to address the necessary Election preparatory actions (e.g., not later than January 26th). The Board established Thursday, January 22nd as the date for the Special Meeting. The Board will post the agenda for this Special Meeting prior to the meeting in accordance with the required notice timeline.

Other Business

5. After discussion of the need for a small parcel of land near the Pump House facility, Werner moved to authorize Edwards to enter into an agreement to purchase land adjacent to the Pump House for future DWSC development, not to exceed \$10K plus nominal closing costs. Tillman seconded, and all voted to approve.
6. Edwards moved to update the authorized user list on the East Texas Credit Union account, replacing Kathy Yates with Morgan Irvin. Werner seconded the motion and all voted to approve.

Adjourn

With no further business, Edwards moved to adjourn, Robinson seconded, and all approved. Meeting adjourned.