

DEBERRY WATER SUPPLY CORPORATION DIRECTORS MEETING

Date: **September 9, 2025 @ 6:00 pm**

Place: De Berry Fire Station

Attendees:

Sara Edwards – President

Matt Tillman – Vice-President

Mary Robinson – Board Member

Steve Werner – Board Member

8 Members

2 Non-members



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

Member Tammy Light made a prepared statement to highlight her service to the community as a former bookkeeper for the De Berry water supply system and as an employee of the Panola County Election Registrar/Administrator, and assert that she is not aware of how the inappropriate and non-metered connection from the water system supply line into her residence came into existence, in addition to the installed official meter. [Of note, Ms. Light is the first and only resident on this property, having cleared the land and built it new on or about 2011. It is not known when the non-metered connection was installed.]

Non-member Brian Bond followed with a positive character reference for Ms. Light and requested leniency for Ms. Light in consideration of the fees and penalties to be applied in accordance with the official Tariff.

Account Actions

In light of the topic of the public comments made at the beginning of the meeting, Edwards made the motion to address the two instances of DWSC Water System tampering that occurred in the last month. Werner seconded, and all approved the resequencing of the meeting agenda.

Case #1; System tampering via meter bypass (unauthorized tap) at the property at Sequence #51:

- In accordance with the Tariff, when the unauthorized tap was discovered, the DWSC Board, with the assistance of the Operator, cut off the water connection, notified Law Enforcement, and calculated the assessment for tampering penalty, investigation fee, cost of repairs/damages, and estimate of lost water revenue. The total assessment is \$6,024.92 and a portion of this assessment was paid by the property owner on 09/06/25, leaving a balance of \$4,475 which can be paid via an installment plan, if the property owner prefers this over making a lumpsum payment.
- In addition, since the active meter was not actually on the account holder's property and NOT in the account holder's name, DWSC enforced the action to establish the account in the property owner's name, in accordance with the established rules of the official DWSC Tariff. The cost to establish the new

account was \$2,580, in keeping with the established fee structure for the new service. This fee was paid by the property owner and the new meter was installed upon receipt of the payment. Of note: While the new meter is fully functional, it is in the cut-off position as of 09/09/25, due to an open line on the property owner's side of the meter at a location yet to be determined. (Opening the valve at the meter would only result in a significant water loss at the expense of the owner.) The owner has hired an independent contractor to find and fix this open line, despite the offer by DWSC to have the Operator fix the open line at no additional charge.

- The Board offered the property owner the option of signing a Promissory agreement to spread the collection of the remaining \$4,475 balance over 24 months, vice making a lumpsum payment. The property owner left the meeting after declaring the intent to think about which approach to follow.

Case #2; Meter tampering by placing an unauthorized lock on the meter at the property at Sequence #9:

- The custodian for the property in question, which is currently being leased by a second party, elected to cut off the lessee's water supply and then place a padlock on the DWSC supply side of the meter. This action is in direct violation of the Tariff, and the Operator was called in to remove the lock. The fines and costs for the resulting damages can be legally billed to the custodian of the property, in accordance with the Tariff. Edwards made the motion to apply the assessment to the custodian's account. Werner seconded the motion and the motion carried with all in favor.

Consent Agenda

The minutes of the August 12, 2025 board meeting were reviewed. Werner made the motion to approve the minutes, and Tillman seconded the motion. The motion carried with all in favor. The approved minutes will be uploaded to the website.

The bills were reviewed by the Board members. Tillman made the motion to approve payment of the bills. Edwards seconded the motion. The motion carried with all in favor.

The financials for August 2025 were reviewed. Bookkeeper Irvin covered key points of the August 2025 Financial Report. Edwards made the motion to approve the Financial Report. Robinson seconded the motion, and the motion carried with all in favor.

As a follow-up to the July Board meeting, Bookkeeper Irvin presented a corrected June Financial Report, adding the entry for an insurance premium that had been previously omitted. Edwards moved to approve the June 2025 Financial Report. Robinson seconded the motion, and the motion carried with all in favor.

The Board also reviewed the 2024 Audit Report, presented by Goff & Herrington, which cited that the financial records were in order, in accordance with established accounting methods. Edwards made the motion to accept the Audit Report. Werner seconded the motion, and the motion carried with all in favor.

Customer Reports

Edwards reported 55 customer service calls in the month of August, plus three account liquidations, six line repairs, and 15 meter replacements.

System Updates

Werner presented the water loss report, citing a continuation of the improved water accountability figures over the past three months.

For the month of August 2025:

- Water produced (pumped and treated) by the Corporation was 2,729,200 gallons, and water sold was 1,652,840 gallons, resulting in a Percent Sold figure of **60.6%**.
- Water lost or expended to required flushing, Fire Department use, and estimated loss due to known leaks totaled 106,000 gallons, yielding a total accounted figure of **64.4%**.
- Water lost/unaccounted was 970,360 gallons, or 35.6% of the total water produced.



Figure 1 - DWSC -- Water Accountability; Jan-Aug 2025

Werner cited that while the water lost/unaccounted figure is better than previous years' statistics, the losses are still in need of significant improvement. The Board continues with earnest efforts to find and eliminate the leaks and other sources of loss, to improve the financial condition of the DWSC system.

Mid-Year Budget Review

Tillman presented the result of the mid-year budget analysis and review. Of note: The unavoidable costs of parts/material and Well evaluations and scoping over the past few months have created a net shortfall of nearly \$6,500. These costs are unavoidable and need to be folded into the budget. As a potential fix, DWSC has found multiple opportunities to apply for grant funding to address the larger ticket items.

Adopt USDA Grant Agreement by Resolution

Edwards made a motion to adopt the "USDA Grant Agreement by Resolution" to finalize the approved \$30K grant. Tillman seconded the motion, and the motion carried with all in favor.

Pursue the Emergency Community Water Assistance Grant (ECWAG)

DWSC received a tip of potentially significant funding available via the Emergency Community Water Assistance Grant, slated for distribution by the end of September 2025. The package is due early this week. Edwards made a motion to permit the Board to move forward with the ECWAG paperwork. Tillman seconded the motion, and the motion carried with all in favor.

Review Results of the Texas Water Development Board (TWDB) Scoring for Grants

Ardurra Engineering is submitting comments to dispute several scoring discrepancies noted in the recent TWDB scoring process. We anticipate an improvement in the DWSC overall ranking, but not enough to merit the Grant this year. However, with the significant improvements instituted by DWSC in the past year and the anticipated enhancements next year, the Board anticipates a much better chance at the Grant next year. Such a grant could effectively fund the drilling of a new well, for example.

Authorize Additional Personnel to Assist with Customer Calls

DWSC has experienced significant costs associated with calling up the Operator for the numerous after-hours' customer service calls concerning simple meter issues such as shutting off or turning on an affected water meter. DWSC can enjoy significant savings by letting volunteers conduct these simple services for after-hours customer calls. Of course, DWSC will call up the Operator any time, as needed, for the more significant service issues.

Edwards made a motion to authorize two volunteers, Jon Edwards and Colt Irvin, to assist with the simple tasks concerning meter issues such as shutting off or turning on an affected water meter or assisting with finding a leak location. Werner seconded the motion, and the motion carried with all in favor.

Adjourn

With the Board having no further business, Werner made the motion that the meeting be adjourned with Robinson seconding the motion. The motion passed with all directors voting in favor. Meeting was adjourned.