
Durham Park Water Supply Corp

Emergency Board Meeting - Minutes

Wednesday, January 8, 2025 Location: DPWSC Building

Attendance/DPWCS Board Members;

Garner Edwards

Kadey Cochran

Erik Krause

Jeff Mayes

DPWC Operators;

Cliff Farmer

Board Meeting called to order at 6:26 PM

Meeting was called to order to discuss emergency repairs to Well 1

DPWC was provided with two quotes from Bee Cave Drilling, Inc., for the replacement of the lower water pump and 3" piping. Both quotes were similar, one including the replacement of all the piping and one with the replacement of only that pipe (lower three parts) in the well itself.

Board discussed options and with input from Mr. Farmer, the board voted, unanimously, for the quoted invoice 12535 for the lower price of \$19,848.05. This quotes included keeping the existing, above ground piping, only replacing the damage pump and well piping.

Meeting was ended after the vote.

Meeting adjourned at 6:49 PM

Durham Park Water Supply Corp

Monthly Board Meeting - Minutes

Tuesday January 14, 2025 Location: DPWSC Building

Attendees: Garner Edwards, Kadey Cochran, Erik Krause, ~~Jeff~~ Farhad Madani

- No speakers for the Public Forum
 - Board reviewed and approved the minutes from the December board meeting
 - Board reviewed and approved the minutes from the January 8th emergency meeting
 - Work on Well #1 was completed, new pump and piping replaced. System is not starting, issue is in the control panel. Bee Cave and Staff will be contacting the manufacturer to troubleshoot this issue. Boulderwood subdivision is still obtaining water from Well #2.
 - Water testing and pressure checks were good
 - Water restriction level remains at Level 2
 - CNN Correction issue was discussed. Board discussing options but most likely will grandfather those involved with internal documents and current mapping policy. Law Firm is asking for up to \$20k to resolve this issue, but Board believes we can solve this issue without paying this fee.
 - Board discussed the issue with extreme water use by some residents and our current billing practices. Board is discussing a tiered billing system to address this issue with water usage above the community average. Process is ongoing.
 - Water rates – Board was provided water rates from surrounding water providers to show our costs v other water districts. Per average, DP is far below the average for water. Board Action was voted on to discuss our current rates.
 - Employee Time Sheets were reviewed and voted to approve the hours.
 - Overdue accounts increased since last month. Notices were sent out to delinquent accounts with water shut off notices pending.
 - Annual budget was reviewed from 2024 and going into 2025. Water usage by the community has gone down overall showing the community, overall, is using water wisely. Due to the lower water usage, the budget revenue is below projected annual costs for employees, maintenance, etc. This budget shortfall leaves a large gap in revenue v operating costs. Board is working on our current rates v average rate costs of other water districts and
-



the possible increase in water rate/usage costs. Also, tiering average water use v those with extreme water usage. Board voted on a study to evaluate our rates.

DPWSC
Monthly Board Meeting

Thursday, February 11, 2025

Location: DPWSC Building

Attendees: Garner Edwards, Erik Krause, Kadey Cochran, Farhad Madani, Jeff Mayes

Meeting called to order at 1830 hours

- Minutes from January accepted by the Board after correcting attendance record, Farhad was at the meeting, Jeff was not
- No Public Forum
- Water samples tested and all good
- System still at Level 2 water restrictions
- Well 1 is still not operational, issue is still with VFD panel and grounding alarm preventing system from going back online. Bee Cave Drilling attempted to troubleshoot the VFD, claiming it was not working and provided a quote of roughly \$16k to replace. Our staff troubleshooted the problem with a VFD vendor and determined the VFD is operational but is receiving an alarm, preventing it from working. Appears the problem is associated with a wiring/electrical issue with the wiring to the underwater pump, possibly the wiring was exposed or frayed when the new pump was put in. Bee Cave will be coming back out to pull the pump to see if the pump is working correctly and to see if there is any wire damage that needs to be repaired or replaced. Bee Cave Drilling provided two quotes, one for the basic removal of the pump to inspect at \$532.48 and a second for replacement of the wire (2 gauge estimate) at \$9k. Our staff can obtain the same wiring for cheaper from a third party, so the Board determined to authorize the \$532.48 fee to remove the pump and another \$7500 in case we need to purchase the replacement wire. Board also included that one of our staff members must be present when Bee Cave Drilling does the above work.
- Well 2 is still providing water for Well 1 residents.
- Board will vote on the adoption of the CNN letter in the March Board Meeting.
- Board approved the annual financial record discussed at the January Board Meeting.
- Water loss this month was average, no changes.
- Board looked over overdue accounts and authorized the pending late actions and shut off notices, if needed.
- Board reviewed our current water rates and the rates of numerous other water district rates, those similar in size as ours as well as public/government rates in larger cities. Board understood our rates have not changed in several years but at our current rates, the board would not be able to address the fiscal requirements for the needs of the residents in DP. Rates were discussed, compared with other water providers and new rates were determined to maintain the current and future needs to keep the water department operational.
 - Board approved moving to a four tier rating table instead of a seven tier
 - Board approved an increase in the Base Rate
 - Board approved an increase in all tiers
 - Board approved an increase in the Emergency Water Callout fee to \$250/hour

- Board approved an increase of the Tap Fee to \$7500 for ¾ pipe installation and \$8500 for 1 inch installation
- Reconnect Fee will remain the same – no change
- Board approved an 18 month temporary stop on new installs/construction installs to facilitate a new build or temporary suspension of services. After 18 months, the Basic Rate, regardless of usage, will be billed to the owner
- Board approved an increase for water usage during Level 3 and 4 water alerts
 - Level 3 water alert will have a 5% increase after 10,000 gallons, Tier 3 or higher
 - Level 4 water alert will have a 15% increase after 10,000 gallons, Tier 3 or higher
 - Average water use falls within Tier 2, under 10,000 gallons a month
- Board approved the following rates and Tier changes as follows:

▪ 0-2,000 gallons	Base Rate	\$52.84
▪ 2,001-10,000 gallons		\$4.50
▪ 10,001-20,000 gallons		\$6.75
▪ 20,001-30,000 gallons		\$7.88
▪ 30,001 gallons and higher		\$11.25
- Board agreed to meet later this month to finalize, if necessary, to implement the legal requirements for a rate change.

Meeting ended at 2038 hours



Durham Park Water Supply Corp – Emergency Board Meeting

March 8, 2025

Attendance/DPWCS Board Members;

Garner Edwards
Kadey Cochran (on phone)
Erik Krause
Farhad Madani

Meeting began at 1906 hours

No Public Forum

Thousand Oaks had a major water line leak in a cul de sac. Staff was able to shut off the water, cap the broken pipe and create a water supply system to two houses that would not have had water otherwise. This process bypassed any water monitoring system so these two homes are getting free water. Lines providing the water were run above ground until repairs can be made.

Due to the depth of the water line, our staff does not have the equipment needed to complete the repairs. Outside contractors had to be called to shore up the deep pipe trench and complete repairs.

C.E. Contracting was contacted and provided a quote for \$15,000.00. According to the contractor, this quote was made on the high side, indicating that it would most likely cost less, but wanted us to know the highest probability.

A second contractor was also contacted and provided a lesser quote of \$8,000.00, but claimed it could cost more based on what they find or any issues they come across. This contractor refused to submit a bid.

Board voted to approve the quote from C.E. Contracting, all members voting in the affirmative.

Board reviewed the draft letter for the DP water rate increase. Some minor changes were suggested and the board would vote and approve this letter at the March Board Meeting.

Meeting was ended at 1927 hours

A handwritten signature in blue ink, appearing to be 'D. Madani', with a long horizontal flourish extending to the right.

DPWSC
Monthly Board Meeting

Thursday, March 11, 2025 Location: DPWSC Building

Attendees: Garner Edwards, Erik Krause, Kadey Cochran, Farhad Madani, Jeff Mayes

Meeting called to order at 1840 hours

- Minutes from February were accepted by the Board. Minutes from the Emergency Meeting on March 8, 2025 were accepted by the Board.
- No Public Forum
- Water samples tested and all good
- System still at Level 2 water restrictions
- Well 1 is up and working, pending last water test. Wires were needed due to the existing wires being damaged. New wiring was added.
- The old wire from Well 1 will be picked up by the Gary, the local metal collector for DP.
- During the last freeze, drain on Well 2 froze, which caused a loss of PSI dropping below 20. Due to state law, PSI dropping below 20 PSI requires steps which can include a boil water notice. DP Water made the decision, on the basis of being cautious and protecting our members, by calling for a boil water notice. Although this process could have been delayed under state law, we determined this was in the best interest of our members. Once this freeze issue was repaired/fixd, a water sample was sent and came back good and well within safety guidelines.
 - Questions on the notification came into question. Although the automated texting program was used, the Board determined that in any future boil notice is warranted, we will adopt a three prong notification process, which will include the automated notification system, the DP Water website and signs being posted at all entrances to those members served by DP Water. These areas include Durham Park, Boulderwood and Thousand Oaks.
 - Water areas served include these three subdivisions. It was noted that Boulderwood is also the name of a street, but this area includes all areas, not just the street. Board is looking into noting this on the website to avoid any further confusion.
 - Any future boil water notices will include which subdivision is affected.
- Board approved the CCN of areas serviced after some minor verbiage changed.
- Board approved the rate increase. Notices to go out in the next couple of weeks to all members.
- The leak on DFT was repaired. This caused another leak to start at the corner of DFT and Glasscock. Board is aware of this leak and is working on it.
- Board looked over overdue accounts and authorized the pending late actions and shut off notices, if needed.
- The major line break in Thousand Oaks was repaired and all members have water. This leak occurred deep underground which required an outside vendor to fix due to OSHA and safety equipment needed. The Board approved this work in the Emergency Meeting on March 8, 2025. Final fee for this work has not yet been submitted by the contractor.

- Backhoe has been repaired.
- The current audit is still in progress.
- Time Sheets were approved by the Board.
- Budget review was pushed to next Board Meeting.
- A motion was brought up and the Board agreed to look into Grants/Loans to address major funding issues pertaining to the water infrastructure.

Meeting ended at 2001 hours

A handwritten signature in blue ink, appearing to be "B. J. [unclear]", written in a cursive style.

Board Meeting Notes from April 8, 2025

Meeting called to order at 1832 hrs

Board Members Present

Erik Krause, Garner Edwards, Kadey Cochran, Jeff Mayes, Farhad Madani

- One public speaker inquiring about the rate increase and increased expenses.
- Minutes from March were accepted by the Board.
- Water samples tested and all are good.
- DPW remains at Level 2 water restrictions.
- Well 1 is fully operational with no issues since repairs.
- Leak at the corner of Glasscock/DFT has been repaired. Leak occurred next to a power/phone pole, which tilted due to the saturated ground. PEC was contacted and inspected the pole; they were not concerned.
- Mower is being repaired.
- Bill Pohl contacted the Board to discuss revisiting the possibility of water management of the proposed development adjacent to DP. Previously, the Board denied management due to issues with water quality and GPM with the two wells dug. Developer purchase and adjacent residence with its own well producing 50 GPM. Board said it may consider revisiting the previous decision once questions are answered about the wells and their ability to service the development.
- Late billing report showed only five members late on payments. Notices were sent for an April 21st shutoff if not paid.
- Audit is progressing well.
- Time sheets reviewed and authorized.
- Budget Overview;
 - No changes to accounts or CDs. Two CDs are coming due in June. Will discuss rollover options next Board Meeting.
 - Operational Account is very low. Board voted/accepted to transfer \$25k from MMA Account 5994 to the Operational Account 4415.
- Inquiry was discussed to look at other CPA/Tax experts.
- New water rates are scheduled to go into effect on May 1, 2025.

Meeting ended at 1931 hrs

A handwritten signature in blue ink, appearing to be "D. Edwards", written in a cursive style.

Board Meeting Notes from May 13, 2025

Meeting called to order at 1831 hrs

Board Members Present

Erik Krause, Garner Edwards, Jeff Mayes, Farhad Madani

- Three members of Pohl Group, development adjacent to DP, spoke about reopening discussions to manage water for new development. Group was asked to provide documentation and follow up water quality reports on one of two of their wells.
- One public speaker inquiring about assisting with mowing Water owned property adjacent to his. Cliff will be handling.
- Minutes from April were approved
- Currently Stage 2 water restrictions
- Water quality reports are good, water levels good.
- One issue was brought up by a resident regarding the new water rates and billing. It was addressed and credited.
- Reviewed past due notices for water usage. Six past due residents, one has moved out and notices given pending possible water shut offs.
- Board received our annual Audit Report. Board received copies and will review and address at next months meeting.
- No changes in Budget Report. Changes made at April Board Meeting were completed.
- Board approved Cliff to complete maintenance on the backhoe. Will forward costs to Board upon completion.
- Time Sheets were signed and reviewed.
- Cliff addressed some repairs needed at wells for water testing and some valves that are not working or need replacing. We have parts for these repairs and Cliff and staff will handle.
- Cliff also brought up shut off valves that are not working and will need replacing. Although this issue is not an emergency, ideas were brought up to proceed with identifying which valves need replacing and what piping is in place, which will determine the type of valve needed. Valves range from \$1000 to \$2200 each and it is estimated that up to 10 valves will eventually need to be replaced.
- Board approved the rental of a hydro dig to for half day at \$750 to see what needs to be done. This hydro drill is safer and lessens the concern for damage to pipes.
- Board will review findings of what is discovered and determine a time period for replacement of these valves by area.

Meeting ended at 1932 hrs

DPWSC
Monthly Board Meeting

Thursday, June 3, 2025

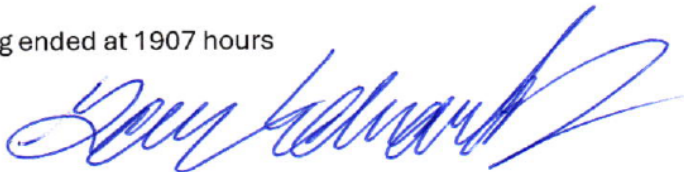
Location: Cowboy Church

Attendees: Garner Edwards, Erik Krause, Kadey Cochran, Fred Madani, Jeff Mayes

Meeting called to order at 1830 hours

- Board Meeting moved to the Cowboy Church due to racoon issue at the office
- Board approved the minutes from the May Meeting, all approved
- Due to the recent storm and lightening, the water departments computer was damaged. Board approved the allocation of \$2,000 to purchase two new computers and a newer surge protector
- There were several residents attending the meeting, but no public speakers
- Pohl Partners was scheduled to speak on annexing their pending water system for a new development, but they cancelled, pending a new water quality report on their two existing wells
- Water quality report is good, still on Level 2 water restrictions
- Garage door to the office needs to be replaced. Board members approved \$1850 for a new Jack Shaft door and opener
- Hydro Vac – will be getting the Hydro this month to repair the existing leak and determine the number of valves in that area that might need to be replaced
- The Boulderwood water easement is overgrown with numerous cedar trees. Board approved renting a tree remover to remove the trees and avoid damage to the underground water lines. Costs estimated to be between \$1k and \$2k
- Exterminator should arrive this week to remove the existing family of racoons living in the walls of the water office and remove the deceased ones
- The billing, late accounts, budget paperwork and time sheets were not accessible due to the damaged office computer. Will review next month
- One CD at Vera Bank (account ending in 5143) will be coming due on June 26, 2025. Board approved the search for a better rate and reinvest the \$39,017.85 in that account

Meeting ended at 1907 hours



Durham Park WSC Board Meeting Notes

July 8, 2025

Meeting called to order at 6:38 PM

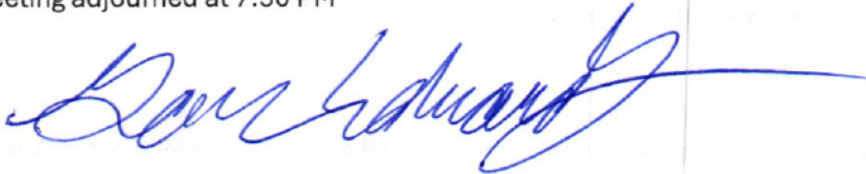
Board Members Present:

Erik Krause, Garner Edwards, Jeff Mayes, Farhad Madani, Kadey Cochran

- No Public Speakers
- June Board Minutes were not available for approval. Will approve June Minutes in August meeting
- Water sample good from previous testing
- Water Restriction remains at Level 2
- Well #1's meter due to fogged screen, ongoing problem. Annual maintenance/inspection from manufacturer is due so Cliff will set up that inspection this month to determine if the meter is broken, repairable or needs to be replaced. Follow up report at the August Board Meeting
- Boulderwood continues to show water loss, possibly due to leaking pipe(s) in the overgrown easement. Board voted and approved a clean up the easement and removal of the Cedar trees. The board approved \$2500 for clean up by an outside vendor. Assessment of pipe(s) once the easement is cleared
- Raccoon abatement completed and all pests were removed. Insulation still needs to be replaced. Cliff will work on this when time permits
- Ryan Brooke/Pohl Partners are working on getting an updated water quality and well report for their two wells in their pending development. They were supposed to attend the July Board Meeting, but due to personal issues with the recent rainstorm/floods, they rescheduled
- The board authorized a free consultation from Subeca regarding wireless meter readers and possible placement of meter(s) for testing
- HydroVac was able to expose three valves that were leaking/not functioning. All three valves need to be replaced. One valve is completely frozen, the other two partially close, but do not prevent water stoppage. This work will be considered a major water line repair requiring approx. two days to complete. One day to dig further to expose the needed pipe and valves and a full day to replace all three valves, which will require water shut off for most of DP. Will also require hiring three additional temp workers that will be needed to complete the work. The board approved the allocation of \$5500.
 - Board will post on text alerts, email, website and possible entrances advising residents of DP that on a specific day water will be shut for eight to 10 hours on that day
- Budget updates
 - CD mentioned in June matured, funds rolled over to a Money Market Account (MMA) (account 4415)
 - The board approved to use some of these funds to pay off an existing loan with Vera Bank for roughly \$16,000

- Board will consider moving the funds in the checking account at Classic Bank into a higher interest earning certificate and use this account for meter fees, reimbursement account and capital expense account
- Idea was brought up to allow funds to be moved between yet to be determined accounts to maintain the \$30,000 reserve for monthly expenses. Board will discuss this and how to operate it at the August Board Meeting

Meeting adjourned at 7:50 PM

A handwritten signature in blue ink, appearing to read "Dawn Edwards", with a long horizontal flourish extending to the right.

Durham Park Water Supply Corp

Board Meeting Minutes

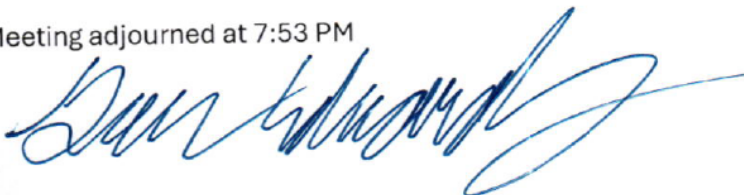
Tuesday, August 12, 2025

Meeting called to order at 6:34 PM

Board Members Present: Erik Krause, Garner Edwards, Jeff Mayes, Farhad Madani, Kadey Cochran

- No Public Speakers
- Board Minutes from June and July were approved by the Board
- Water sample good from previous testing
- Water Restriction remains at Level 2
- Ryan Brooke Reps were not present, but water samples from their development were sent to the lab, pending results
- Boulderwood resident complained of a flush valve at his back property line. Complaint was flooding when valve is opened. Area in question is wild growth, but Board is going to look into a way to redirect flush flow to avoid excess water on the their property
- Westfall repairs have been completed
- Hydro-Vac use has been completed. The three valves that needed to be replaced will be replaced toward the of summer. Holes from the drill are open but blocked off
- Mark called the meeting since he couldn't make it and said the booster pump from Well #1 was taken for repairs. Will cost \$1402.00 to repair. Work should be done by next week
- Subeca rep spoke with Garner regarding the automatic meters. Estimated cost for each meter would be \$185 each. Software and monitoring is free for up to 500 meters. This would be approx. \$90k for the replacement of all meters in the three neighborhoods. Subeca said they could provide a few free meters to demo their product, Board is considering testing the meters. Meters would eventually be cost effective when taking into consideration of work hours needed to read almost 500 meters monthly, office work inputting data, etc. Board will continue to look new meters
- Board reviewed By Laws and there were questions on verbiage for reserve accounts. Board will look into updating the verbiage and maintaining our reserve accounts.
 - Operations and Unrestrictive reserve accounts are funded
 - Loan Reserve Accounts have a 12 months reserve funded
 - One CD coming due in 2026, will look into best rates closer to renewal time
 - Membership deposit discussion and the amount needed in reserve and the amount to invest. By Laws are unclear and Board will review and update if needed.
 - Discussion to move hook up fees to Capital Improvements
- This was Jim's last Board Meeting as an employee. The Board wished him well and thanked him for his 28 years of service

Meeting adjourned at 7:53 PM



Durham Park Water Supply Corp

Monthly Board Meeting - Minutes

Tuesday September 9th, 2025 @ 6:30 pm Location: DPWSC Building

Attendance Required:

DPWSC Board Members Present: Garner E. Kadey C., Farhad M., Jeffrey M.

DPWSC Operators Jim & Cliff

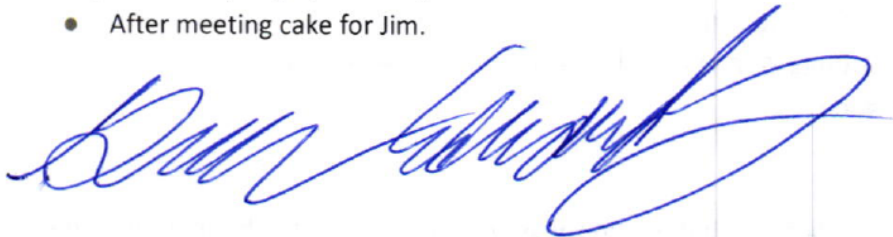
Agenda: Called to order by Garner at 6:32pm

- Public Forum (3min per speaker) - None ✓
- Review/Approve Minutes from August 12th - Mayes 1st, Cochran 2nd
- Water Operators System Status Report – All Good
 - ☞ Water & Repair Report (5min) – Discussion regarding sharing of responsibilities between Cliff and Kevin. Discussion over cost of receiving Chlorine. Additional \$800 dollars for delivery of 1 or just order three and exercise valves daily. Asked to wear respirator when doing so. Will try next time to see if that works? Will require some short distance move, don't have proper placards. Hydrovac location – Same as last month. Working to create manifold, some parts on backorder. Need all employees available, hoping for this month. No Date set at this time. Big Repair on San Gabriel, deflection issue, discussed creating a more user friendly way of tracking repairs and locations. Cliff will discuss with Ciara (move paper records to digital with pictures and gps location) Check Valves, early failure, No Warranty but check with distributor? Meter One Issue (foggy glass) removed cleaned – rectified itself. Customer Complaint over water Bill J&G, supposedly hadn't paid previous months bill
 - ☞ Water Restriction Status (5min) – SAME, XS12 exploring options for future Development, saw well driller
- Ryan Brooke Update (5 Min) - NOTHING
- Amazon Sidewalk Test Results (5 Min) – Durham Park some issues, but Boulderwood and Thousand Oaks pretty good
- Financial Review (30 min)
 - ☞ Billing/Delinquent Account Status – Pretty usual suspects, all set to be shut-off on the 25th
 - ☞ Bank Account and Asset Review
 - Open Capitol Improvement Account.
 - Rebalance other reserve accounts

Notes from Meeting, but Kadey will present a clean write-up for approval next month:

Reserve Policy Needs Updating:

- ✓ Operations Account, 30 -days operating Expenses – Currently \$30,000
- ✓ Unrestricted Reserve. 3 -months Operating = \$90,000 – Suggest going to 4 months \$120k
- ✓ Impact reserves – 5x, \$3,000/yr = \$15,000, Update language, no change in Intent
- ✓ Debt Service Reserve – 12 mos. payment on all outstanding loans (currently 2 loans) – no Change
- ❖ Member Liability Reserves
 - Current member fees/tap fees – Sliding Scale, currently ~\$64,200
 - Recommendations to reduce to about 10% - put money in a checking Acct
 - Change language to membership deposit (Tap fees into Capital improvement)
- ❖ Capital Improvement Reserve
 - Currently 5% of insured Assets (\$900,000) or \$45,000 – Can we reduce? Depreciation plus these assets are currently insured?
 - Minimum balance whatever required to keep the account open, Create CIP Plan
 - Last 3 yrs, collected \$100,000 in tap fees
- ✓ Vera Checking - min \$30,000, currently \$42,000 = No Change
- ✓ Vera (MM) – (Unrestricted Reserve) – Currently maintain \$90,000, have \$102,000 (suggest raising to 4 months operating or \$120,000
- Classic (MM) – (Incident Reserve) - \$15000 required, has \$26,000
- Classic (CD) - \$6,000 matures March of 2026. Cash out at maturity, put in operating Account
- MM Acct (CIP) Should be \$110,000 actual value ???, will require moving money around
- Classic (Checking) – currently \$64,000, leave \$6420 in account, roll balance to CIP account
- The debt service reserve (2 outstanding loans) ($\$1190 + \1298) X 12 = \$29,856 into a CD
- ☒ Time Sheets reviewed – all good
 - NEED Treasurer
- ☒ Adjournment (Mayes/Cochran) -7:56
 - After meeting cake for Jim.



Durham Park Water Supply Corp

Monthly Board Meeting - *Minutes*

Tuesday October 14th, 2025 @ 6:30 pm Location: DPWSC Building

Attendance Required:

DPWSC Board Members (Garner, Kadey, Jeff, Farhad)

DPWSC Operators - Cliff

Agenda:

- Public Forum (3min per speaker) – **Jim present but no comment**
- Review/Approve Minutes from September 9th – **Farhad/Kadey Motion as delivered**
- Water Operators System Status Report
 - Water & Repair Report (5min) – **Cliff – All Good, Slight issues in getting Chlorine but worked out in the end, researching different/alternative supplier, one disgruntled customer, no date yet on big repair, did small repair on Greys Circle and San Gabriel (30' of line replaced) There have been reports of pressure issues with Well #1, 12 psi, replace regulator, ordered a new back-up \$30, Need to winterize equip via heat Tape, ~\$50, Need new solenoid switch @ Well 3, ~ \$300, need fuel for generator (BTW an inquiry about selling the generator at well #3, declined). Down to two dewalt type batteries (Amazon brand doesn't last), Cleaned and power washed truck, ordered new magnets for side**
 - Water Restriction Status (5min) - **Same**
- Pohl Partners update water test results for Ryan Brooke if available(15 Min) - **Gross Alpha tested at 7.07 on new well and Non Detected on "Cattle Well", No new 36 hr pumping test (requested by Board), Smaller arterial lines will be buried at 3', larger lines 4', and bedded correctly. C900 "blue pipe" used, each lot (73) will have a box, just no meter, 80,000 gal storage tank. Pros/Cons sheet delivered to board. Discussion from board on needs: Updated pumping amounts, updated plans for booster pumps and tank, Info on as-built testing requirements from TCEQ, Board would like to have some input with HOA regarding landscaping and water use, irrigation, need proforma (Budget)**
- Subeca Automated Read Meter Trial Quote (5 Min) – **Durham Park Pilot Program through SUBECA looked at, 12 meters scattered throughout service area to analyze consistency at cost of \$190 per meter (free use of software for trial). Cliff indicated that we need to ensure there is a manual backup (ability to read meter manually if there was a lapse in wifi connectivity or for any other reason). Mayes/Cochran – motion to approve purchase of meters for pilot test, if manual backup is available**
- Hiring policy/probationary periods/trainee hiring timeline/PRN helpers.(15 Min) – **No probation period, free will employment, update PRN Policy and call in policy**

- Financial Review (30 min)
 - Billing/Delinquent Account Status – **Usual suspects**
 - P&L current month vs same month last year - **Good**
 - Bank Account and Asset Review –

Policy - Operating Account & Reserve Bank Accounts

PURPOSE

This policy outlines the purpose, use, replenishment and monitoring of the Durham Park Water Supply Corporation (DPWSC) Operating Account and Reserve Accounts consistent with the financial controls established as part of its annual budget process. Additionally, this policy establishes the target reserve balances necessary providing for:

- *Coverage of normal monthly operating expenses and cash flow requirements*
- *Meeting long term debt liabilities*
- *Funding deductibles required in the event of an unplanned insurance claim*
- *Membership Fee activity*
- *Capital Improvement Plan to address significant investments as needed to ensure successful long term operations*

I. GENERAL POLICY

A. OPERATING ACCOUNT

1. *Purpose - DPWSC shall maintain a general Operating Account to assure sufficient monthly liquidity for funding the day-to-day operating expenses and supporting DPWSC's normal monthly cash flow. DPWSC Admin shall use the Operating Account to cover expenses budgeted for each year including: operations, payroll, taxes, administrative costs, monthly maintenance and repair, vehicle and equipment repair, etc.*
2. *Use, Replenishment, Monitoring - DPWSC personnel shall use the Operating Account at any time to meet cash flow requirements for monthly operations. Authority and use of the funds will be consistent with DPWSC's Purchasing Policy. This account is replenished through monthly revenue generated through water sales. DPWSC Admin and Board Treasurer shall monitor account balance monthly and report shortfalls as required to the Board. Semiannually, any excess funds shall be reallocated to other reserves or investment accounts.*
3. *Required Account Balance - Minimum balance of 60 months average monthly budgeted expenses. Maximum balance of 90 months average monthly budgeted expenses. Excess revenues shall be swept into the Unrestricted Reserve.*

Updated reserve policy approval

B. UNRESTRICTED RESERVES

1. *Purpose - DPWSC shall maintain an Unrestricted Reserve to assure sufficient monthly liquidity for funding unplanned operating expenses in the Operating Account. It also serves as a primary backup to other Reserve Accounts to eliminate the risk of monthly negative cash positions representing prudent financial planning. This may occur with emergencies, unplanned /repairs, delay between the receipt of revenues and/or payment of expenses beyond normal budgeted amounts.*
2. *Use, Replenishment, Monitoring - DPWSC Admin shall notify and request use of the Unrestricted Reserve to DPWSC Board Treasurer or President. Transfer of funds to the operating account shall be limited to meet the specific negative cash flow requirement. DPWSC Admin and Board Treasurer shall monitor account balance and report shortfalls to the DPWSC Board as required.*
3. *Required Account Balance - The target balance of the Unrestricted Reserve will equal to 120 days of operating expenses consistent with best practices in the industry for corporations with monthly rate revenue. Sufficiency of funding level for the Unrestricted Reserve shall be identified at the beginning of each fiscal year and maintained.*

C. MEMBERSHIP LIABILITY RESERVES

1. *Purpose - DPWSC will maintain a Membership Liability Reserve in order to maintain balance that represents the annual level of turnover of Membership Deposit activity. The Membership Deposit (currently \$200) as described by the DPWSC bylaws is refunded at the closing of an account and collected at the opening of a new account. This reserve account will be adjusted as membership levels change or membership fees change.*
2. *Use, Replenishment, Monitoring - DPWSC Admin use is restricted to resolution of membership deposit transactions only. DPWSC Admin and/or Board Treasurer shall periodically monitor membership liability reserve balance to ensure consistency with the number and type of transactions, bringing any deviations to the attention of the Board.*
3. *Required Account Balance - The required balance of the Membership Deposit Liability Reserve will equal to annual amount of account turnover of DPWSC Customers times required membership fee. The current turnover rate is 10%. Adjustments made for changing membership fees over the years.*

D. IMPACT RESERVES

1. *Purpose - DPWSC will maintain a Impact Reserve in order to fund property and liability insurance deductibles, losses exceeding insurance limits, and unemployment benefit payments in the event that a claim is made.*
2. *Use, Replenishment, Monitoring - With board of directors approval Impact. Reserves can be used at any time to meet cash flow requirements of DPWSC operations.*

3. *Required Account Balance - The target amount of the Impact Reserve will equal five times the current property insurance deductible (current deductible is \$3,000).*

E. CAPITAL IMPROVEMENT RESERVES

1. *Purpose - The Capital Improvement Reserve is to fund projects identified in the Long Range Capital Improvement Plan and to quickly repair short term critical assets in the event of a natural disaster or facility failure.*
2. *Use, Replenishment, Monitoring - With Board of Directors approval Capital Improvement Reserves can be used at any time to meet cash flow requirements of DPWSC. Authority to use the funds will be consistent with DPWSC's Purchasing Policy or contract requirements.*
3. *Required Account Balance - The target balance of the Capital Improvement will be determined by the Capital Improvement Plan. The minimum required balance will be \$10,000 as per institutions account requirements.*

F. DEBT SERVICE RESERVE

1. *Purpose - The Debt Service Reserve is intended to assure monthly payments, loan collateral requirements or covenants of third-party creditors. This includes the Texas Water Development Board, USDA or other similar entities providing financial support to DPWSC. Increases and decreases to these reserves will be consistent with specific loan requirements.*
2. *Use, Replenishment, Monitoring - Debt Service Reserves are protected assets for the life of the loan. DPWSC must have prior approval of USDA or TWDB before withdrawing and using reserve funds for such things as meeting loan installment payments, replacing equipment, or meeting emergency and other needs.*
3. *Required Account Balance - In general the existing debt service reserve requirements are:*
 - a.) *USDA Loan - Establish a "Debt-service reserve: Necessary to assure that all loan installment payments will be paid on time. Debt-service reserves will accrue at the rate of one-tenth of the annual average loan installment with a balance equal to 12 times monthly loan payment.*
 - b.) *TWDB Loan - Establish a "Debt-service reserve: Necessary to assure that all loan installment payments will be paid on time. Debt-service reserves will accrue at the rate of one-tenth of the annual average loan installment with a balance equal to 12 times monthly loan payment.*

II. GENERAL OVERSIGHT & REVIEW

DPWSC Board of Directors shall provide oversight to Reserve levels during the fiscal year and reported in the monthly and quarterly financial reports. Reserve target (minimum) and maximum levels will be analyzed annually and an over/under reserve determination shall be made in conjunction with year-end financial results. These results will be presented to the Board as part of the year-end financial report presentation. Should undesignated DPWSC reserve levels need adjustment due to new risk factors due to changes in the utility; these will be brought to the Board. The Policy will be reviewed annually, and updated (at a minimum once every three years) if there are material changes in the risk exposures or new conditions that require changes in reserve levels.

Open Capital Improvement Account. – *Kadey will open a new CIP account as discussed above*

Rebalance other reserve accounts – *Accounts with adjustments needed below*

Type	Maturity Date	% Rate	Account	Current Balance	Adjustment Needed	Resrve Needed	Reserve Calculation
Checking			VeraBank Operating (4415)	\$ 48,222.43	\$ (16,000.00)	\$ 30,000.00	Maximum 90 mos Avg expense
MMA			VeraBank MMA Unrestricted Reserve (5994)	\$ 104,214.67	\$ 16,000.00	\$ 120,000.00	Maximum 120 days average operating expenses
CD	3/29/2026	1.73%	Classic Bank Membership Liability CD (0169)	\$ 6,003.70	\$ -	\$ -	
MMA		1.5%	Classic Bank Impact (8387)	\$ 26,761.38	\$ (11,761.00)	\$ 15,000.00	5 x Property Ins Deductible \$3K per event
MMA		1.5%	Classic Bank CIP (3691)	\$ 37,863.78	\$ 59,609.00	\$ 25,000.00	Based on CIP Plan
Checking			Classic Bank Membership Liability (0243)	\$ 64,268.33	\$ (57,848.00)	\$ 6,420.00	10% Reserve
			NEW Account	\$ -	\$ 10,000.00	\$ 14,280.00	1190*12 - USDA (1992 - Well development) Matures 2032
CD	6/21/2026	3.54%	TWDB Reserve Classic Bank CD (4955)	\$ 30,005.36	\$ -	\$ 25,176.00	2098*12 - TWDB (2011 Well #4) Matures 2051
			SubTotal Reserve	\$ 30,005.36		\$ 39,456.00	12 mos Payments - Outstanding Loans
			Totals	\$ 317,339.65	\$ -	\$ 235,876.00	

[Redacted]									

**** Kadey will rebalance all reserve accounts as presented above
" Mayes/Farhad – motion to approve the updated reserve policy as
presented and discussed"**

Time sheet review – **All Good**

- Board application received(5 Min). – **None received, Mayes will contact Randy Hodges about his wife possibly serving in that capacity**
- Adjournment Regular Meeting (2min) **Mayes/Farhad – Adjourn, By Edwards at 8:07**



Durham Park Water Supply Corporation

Board Meeting Minutes

Tuesday, November 18, 2025

Board Members Present:

Erik Krause, Garner Edwards, Farhad Madani, Kadey Cochran

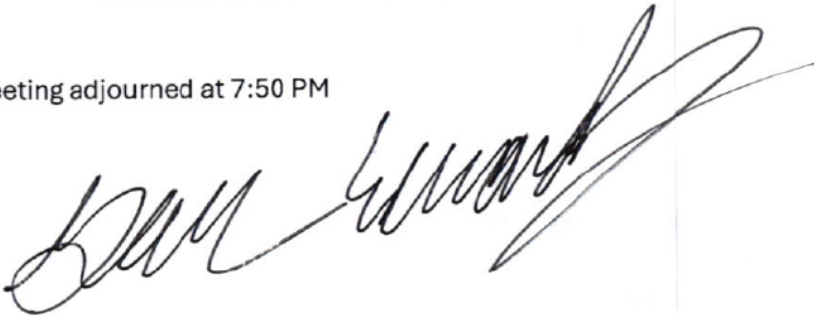
DPWSC Operators Present: Cliff Farmer

Meeting called to order at 6:32 PM

- No Public Speakers
- October Board Minutes reviewed and approved
- Water samples were all good
- Water Restriction remains at Level 2
- Repair work for valve replacement on Glasscock/Huling Bend update. To complete the work, Cliff will need several workers to assist and will require the water for all of DP to be shut off for approx. eight hours. At the present time, no part/temp help is available. Work needs to be done during the week due to the water shut off impact. It was suggested that we get quotes from 3rd party vendors to assist with this major repair. Cliff will contact the Board with costs.
- Ryan Brooke update: Water was pumped but a smaller pump was installed into the well and they did not obtain enough water. Tests were put off until a proper pump is installed.
- New development adjacent to Thousand Oaks: Water Board was contacted by a new developer looking for water management for a 230-acre residential neighborhood. Wells were drilled, but they didn't provide if they were successful at this time. They are estimating approx. 200 one-acre home lots. Developer wanted an actual assessment and what we would require for annexation of their water service. Board will provide a list of our requirements. Will update when after our proposal.
- Subeca Meters: Several new meters have been received but have not been installed yet. Working on access to read/test meters before beta testing.
- New Ring cam doorbell has been installed and is operational at the office.
- Water Board Applications moved to December Board Meeting.
- Water Trainee Position will be posted in December.
- CPA review will be pushed to December Meeting.
- Budget Review
 - Delinquent notices reviewed
 - P&L shows a positive increase from the previous month
 - Audit of credit card use was done, no issues noted.
 - Auditor/Tax preparer review pushed to the December Meeting

- Accounts have been moved and streamlined so we have less accounts across the banking institutions we use
- All extra monies received will be deposited into the CIP Account
- All reserves are funded properly
- Current CDs that are to expire in 2026 will be reviewed for long term CD renewals and interest earned reinvested. Upon maturity of these CDs, Board will pay off existing USDA Loan at Classic Bank
- Cliff will be purchasing some new small equipment, shovel and rake.
- Board approved to look into upgrading our current cell phone, Cliff will provide information on the new phone with a data increase that will allow access to the new meter reading app for the Subeca meters.
- Executive Session was postponed until December Meeting

Meeting adjourned at 7:50 PM

A handwritten signature in black ink, appearing to read "Cliff", written in a cursive style. The signature is positioned below the meeting adjournment text and extends across the page.

Durham Park Water Supply Corporation

Board Meeting Minutes

Tuesday, December 9, 2025

Board Members Present: Erik Krause, Garner Edwards, Farhad Madani, Kadey Cochran, Jeff Mayes

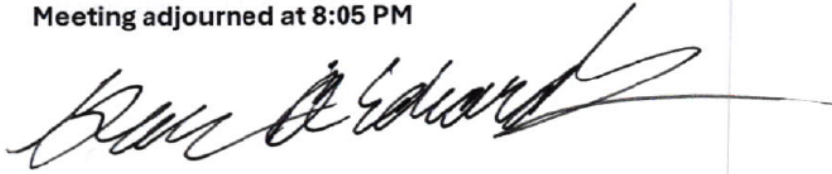
DPWSC Operators Present: Cliff Farmer

Meeting called to order at 6:33 PM

- No Public Speakers
- November Board Minutes reviewed and approved
- Water samples all good
- Water Restriction remains at Level 2
- Cliff received a quote from CE Contracting to complete the valve replacements at three locations, the main being at Glasscock/Huling Bend. These main valves all need replacement and will require extensive work, which includes a full day of water shut off to complete. Repair cost for Glasscock/Huling Bend estimate is \$8,346.00. Total cost for all three locations is estimated to cost \$22,588.00. Board approved to go ahead with the Glasscock/Huling Bend repair/replacement and our staff will assist to quicken and possibly lessen the estimated cost. Board will address the other two locations in the near future. Dates and times to be determined.
- Ryan Brooke update: Two representatives spoke at the Board Meeting. They are still getting quotes for our 36 hour pump test. All of their quotes varied and would require a larger pump to be placed in the well hole for the test. Once they get a contractor to complete the required test, samples and reports will be submitted.
- Subeca Meters: One meter has been installed as of the Board Meeting date. Others will be installed to test the new water meters. Details to come.
- Turner panels will need to be replaced on the wells. VFO meters are being considered and should work better with better control and monitoring for a lesser price. Cliff is looking into this and will advise the Board in the near future.
- Applicants for Board Position are still pending.
- Board is considering changing accounting firms. Jeff will research.
- Board is looking to research insurance agencies/brokers for the water district, Farhad will be handling.
- Budget Review
 - Delinquent notices reviewed. Board will address continued non payments and request full monies owed before water can be turned back on. This addresses only those who are constantly behind or refuse to pay.
 - P&L shows a positive increase from the previous month
 - Board approved the payoff of USDA Loan and move the reserve account to general expenses. Payoff saves several thousands dollars in future payment
 - Board approved annual budget and budget proposal for 2026
 - Board adopted the Capital Improvement Plan for 2026

- Removed Item 4 (valve issues which are currently being addressed) and replaced it the VFO panels
- No changes in CDs
- All accounts funded and in good order
- Board approved Christmas gift cards for staff

Meeting adjourned at 8:05 PM

A handwritten signature in black ink, appearing to read "Ben Edwards". The signature is written in a cursive, flowing style with a long horizontal stroke extending to the right.