TO ALL MORGAN MILL WATER CUSTOMERS:

The Morgan Mill Water Board, in keeping you informed of the progress of your new water system, is posting this notice as a <u>MUST</u> for conserving water usage.

One of the 90,000-gallon storage tanks has been moved and reassembled on the new ten-plus acres purchased from Pinkston Properties. The other 90,000-gallon storage tank is stored for future use. The new well is in the process of getting permitted for public use. This could take as long as an estimated 6 months or more.

As of July 1, 2025, Morgan Mill Water has been purchasing water from Pinkston Properties. We are only allowed to use Well #2 at a monthly lease rate of \$2400.00 a month, and a gallon water purchase price of a percentage of the water rate charged to our customers. The amount is determined by the amount of water pumped, not the amount sold to the customers. Pinkston Properties has given us up to a year to purchase water.

The new well and 90,000-gallon storage tank on the new land cannot be used until it is all permitted by TCEQ. We have Collier Engineering working on this. At present, we are using the three older storage tanks, relinquished to Pinkston Properties, to save on the cost of disassembling and/or discarding or moving the tanks. They are incredibly old and are not needed. The other 90,000-gallon storage tank is disassembled and stored for future use.

The three older Pinkston Properties' storage tanks are having trouble keeping up with customer demand. This is why we are requiring everyone to Conserve! Conserve! Conserve! This is in line with the requirements stated in our Drought Contingency Plan located on our website at www.morganmillwater.com. The Drought Contingency Plan has not been activated at this time.

Morgan Mill Water is searching for more land where another well or two can be drilled. We are also working on grants or loans to help, but this could take as long as an estimated two years or more. The additional cost of land purchase, drilling one to two wells, permitting, infrastructure, and other costs has not been implemented into the budget, but could be estimated at a cost of 1.5 million.

The Board has already obtained the ten-plus acres from Pinkston Properties, who has agreed to carry the note, as well as ten acres of groundwater rights required by the Middle Trinity to operate the well for public use. In addition, a loan from WFX has been obtained to fund the cost of getting the new water system moved and operating. A lot of the work has been done, but the funds from the loan are depleted.

If you would like more information about your water system, please plan to attend the monthly Board meeting on August 12, 2025, at 7:00 pm at the water office.

Please note! The Board acts as a whole and not as an individual on any matter regarding Morgan Mill Water Supply.

Sincerely, Morgan Mill Water Supply Board Members