Aqua Water Supply Corporation
Board of Directors Meeting
Tuesday, March 10, 2026

Present: David Glass, Mark McArthur, Linda Garcia, Bill Tomsu, Craig Williams, Howard McCall, Pamela Harkins, Barry Barker, and Mark Hippler

Absent: N/A

Staff: Dacy Cameron, Heather Tucker, Emily O'Leary, Christie Nutt, Frank Pacheco, Cody Boatright, Hollye Fain, Abby Valderrama, Emily Allen, and Alma Villarreal

Consultants: Joe Morris, Ty Embrey of Lloyd Gosselink, and Curtis Steger of Steger & Bizzell Engineering, Inc.

Guests: Ammar Sawaya representing Steger & Bizzell Engineering, Inc., Nash Mock representing Trihydro, Camden Corzine representing Cude Engineers, Jake Steen representing Lloyd Gosselink, Stacy Britton representing Montemayor Britton Bender, PC, and Alan Gardenhire representing SLR Properties

President David Glass called the meeting to order at 9:00 a.m.

Mr. Glass invited all in attendance to stand and recite the Pledge of Allegiance to the national and state flags.

Mr. Tomsu delivered the Invocation.

There was no member communication.

Stacy Britton presented Aqua's FY 2025 Annual Audit by Montemayor Britton Bender, P.C. She reported that the firm issued a clean opinion as noted on the first pages of the Auditor's Report. She reported that Aqua is in a strong financial position and meets accounting standards. She highlighted several updates to the financial statements as listed in the audit report. She concluded by noting that the audit was successfully completed overall and expressed appreciation to the Aqua team for their support in providing the information needed to complete the audit. Linda Garcia made a motion to approve Aqua's FY 2025 Annual Audit. Craig Williams seconded the motion, and the motioned carried.

President Glass announced the next regularly scheduled board meeting would be held on Tuesday, April 7, 2026, at 9:00 a.m.

Bill Tomsu shared that the Bastrop County Livestock Show was successful this year and thanked those that donated. He also mentioned that he recently met with former board director, Earl Steinbach, who expressed his gratitude for Aqua's Emergency Meter Program for livestock, which has proven to be quite beneficial during this drought season.

Pam Harkins shared that she attended the Lost Pines Rainwater Harvesting Workshop and reported that it was highly informative. Mrs. Harkins expressed concerns about potential cross-contamination when switching from municipal water to rainwater and emphasized the need for greater public education on the issue; staff responded that inspections are conducted upon member notification and that preventive boil notices are regularly issued. Mrs. Harkins suggested collaborating with Lost Pines to include cross-contamination prevention in their public workshops.

Bill Tomsu made a motion to approve the minutes of the February 3, 2026, board meeting. Linda Garcia seconded the motion, and the motion carried.

Bill Tomsu made a motion to approve the minutes of the February 19, 2026, special board meeting. Linda Garcia seconded the motion, and the motion carried. Craig Williams abstained due to his absence at the February special board meeting.

Craig Williams made a motion to approve the bills as paid. Barry Barker seconded the motion. The board reviewed the bills as paid. The motion carried.

The board reviewed the financial statement.

Dacy Cameron provided a presentation on Aqua WSC's Well Project Audit. She explained that the audit was developed in response to prior feedback regarding concerns about the timing and completion of well projects. She noted that the audit evaluates whether appropriate protocols are being followed, identify areas for improvement, and potential project delays. Mrs. Cameron then stood for questions from the board.

Dacy Cameron provided a briefing and discussion on Water Supply Agreement between Aqua WSC and Recharge Water, LP. Mrs. Cameron stated that there have not been any significant developments regarding the agreement; the deal remains under consideration. Ty Embrey recommended to the board to table this agenda item until the executive session. No action was taken.

Mark McArthur made a motion on a resolution of the board of directors of Aqua WSC recognizing the feasibility of providing water service to Cedar Creek East LP and CTX SPE 3, LP and 5Star Family Holdings LP. Resolution No. 26.03.01. Howard McCall seconded the motion. Emily O'Leary provided a briefing and discussion, then stood for questions from the board. Mark McArthur moved to table this agenda item until the executive session. Howard McCall seconded the motion, and the motion carried. No action was taken.

Linda Garcia made a motion on an offer from SLR Property I, LP regarding decertification of approximately 65 acres in Lee County. Bill Tomsu seconded the motion. Dacy Cameron gave a briefing and invited Mr. Alan Gardenhire of SLR Properties to provide additional details. Mr. Gardenhire requested that the acres be decertified from Aqua WSC's CCN and then answered questions from the board. Linda Garcia made a motion to table this agenda item until the executive session. Pam Harkins seconded the motion, and the motion carried.

Howard McCall made a motion on a resolution authorizing the Aqua WSC Compliance Department to exercise administrative discretion regarding the Aqua WSC Water Service Tariff requirement that applicants comply with County regulations when processing applications for additional meters under specified conditions. Resolution No. 26.03.02. Mark McArthur seconded the motion. Dacy Cameron provided a briefing and discussion, then stood for questions from the board. The motion carried.

Barry Barker made a motion authorizing condemnation for Lois Ann Chastain of the RR-1 Project. Resolution No. 26.03.03. Linda Garcia seconded the motion. Emily O'Leary provided a briefing and discussion. Mrs. O'Leary recommended to the board that any questions regarding compensation or offers that were made should be addressed in executive session. The motion carried.

Linda Garcia made a motion authorizing condemnation for Jonathan B. Flora, Michelle L. Flora, and John Myers Flora III of the RR-1 Project. Resolution No. 26.03.04. Howard McCall seconded the motion. Emily O'Leary provided a briefing and discussion. Mrs. O'Leary recommended to the board that any questions regarding compensation or offers that were made should be addressed in executive session. The motion carried.

Linda Garcia made a motion authorizing condemnation for Zach Hardes Hruska and Summer Rae Hruska of the RR-1 Project. Resolution No. 26.03.05. Howard McCall seconded the motion. Emily O'Leary provided a briefing and discussion. Mrs. O'Leary recommended to the board that any questions regarding compensation or offers that were made should be addressed in executive session. The motion carried.

Mark McArthur made a motion authorizing condemnation for Jeffrey L. and Dianne Hardee Hruska-Suggs Family Trust dated April 12, 2001, of the RR-1 Project. Resolution No. 26.03.06. Howard McCall seconded the motion. Emily O'Leary provided a briefing and discussion. Mrs. O'Leary recommended to the board that any questions regarding compensation or offers that were made should be addressed in executive session. The motion carried.

Craig Williams made a motion authorizing condemnation for John E. Carlson, Estate of Eric W. Carlson, Deceased, of the Lund Pump Station Project. Resolution No. 26.03.07. Mark McArthur seconded the motion. Emily O'Leary provided a briefing and discussion. Mrs. O'Leary recommended to the board that any questions regarding compensation or offers that were made should be addressed in executive session. The motion carried.

Barry Barker made a motion authorizing condemnation for David Oman of the Lund Pump Station Project. Resolution No. 26.03.08. Craig Williams seconded the motion. Emily O'Leary provided a briefing and discussion. Mrs. O'Leary recommended to the board that any questions regarding compensation or offers that were made should be addressed in executive session. The motion carried.

Mark McArthur made a motion authorizing condemnation for Wenkai Chen of the Bois D Arc Subdivision. Resolution No. 26.03.09. Howard McCall seconded the motion. Emily O'Leary provided a briefing and discussion. Mrs. O'Leary recommended to the board that any questions regarding compensation or offers that were made should be addressed in executive session. The motion carried.

Linda Garcia made a motion authorizing condemnation for Old Potato Road, LLC, of the Old Potato Road Ph. III Project. Resolution No. 26.03.10. Mark McArthur seconded the motion. Emily O'Leary provided a briefing and discussion. Mrs. O'Leary recommended to the board that any questions regarding compensation or offers that were made should be addressed in executive session. The motion carried.

Linda Garcia made a motion to approve a partial release of easement as requested by Kimberly Hedberg. Resolution No. 26.03.11. Pam Harkins seconded the motion. Emily O'Leary provided a briefing and discussion. The motion carried.

Bill Tomsu made a motion to pass a resolution recognizing the feasibility of providing water service to Ironwood Subdivision. Resolution No. 26.03.12. Mark McArthur seconded the motion. Emily O'Leary provided a briefing and discussion, then stood for questions from the board. The motion carried. Linda Garcia opposed the motion.

Howard McCall made a motion to approve Large Volume Service to Appaloosa Project. Resolution No. 26.03.13. Pam Harkins seconded the motion. Emily O'Leary stated that the property is not within Aqua WSC's CCN. She explained that a feasibility study was conducted to evaluate the potential to provide service; however, based on the required CIP improvements, the developer's requested timeline, and property not being within Aqua WSC's CCN, Mrs. O'Leary stated that it would not be feasible to provide service for this development. The motion was denied unanimously.

President Glass made a formal request to the board for the approval of the feasibility studies pertaining to agenda items 27(a) through 27(u). Mr. Glass inquired with the board regarding the existence of any feasibility studies that require discussion prior to granting approval. Emily O'Leary provided a briefing and discussion on item (l), Resolution No. 26.03.025, approving Large Volume Service for Lytton Springs Data Center. Mrs. O'Leary answered questions from the board. Linda Garcia made a motion to approve agenda items 27(a) through 27(u). Mark McArthur seconded the motion, and the motion carried.

David Glass reported there was no meeting held, and there were no recommendations from the Strategic Planning Committee.

Linda Garcia reported there was no meeting held, and there were no recommendations from the Finance Committee.

Linda Garcia reported there was no meeting held, and there were no recommendations from Aqua's Performance Review Committee. Mrs. Garcia requested that Aqua's performance review be addressed during the executive session.

Bill Tomsu reported there was no meeting held, and there were no recommendations from the Corporate Governance Committee. Dacy Cameron suggested that the Governance Committee schedule a meeting to discuss the conflict-of-interest policy she previously provided to Mr. Tomsu.

David Glass reported there was no meeting held, and there were no recommendations from Aqua's Public Relations Committee.

President Glass adjourned Regular Session at 10:31 a.m. for a break. Mr. Glass reconvened Regular Session at 10:41 a.m.

Dacy Cameron demonstrated to the board the approved and rejected pipe components and emphasized that using higher-quality materials helps prevent leaks and reduces long-term repair costs for the Aqua system. Mrs. Cameron then continued to review the General Manager's Report, then stood for questions from the board.

Emily O'Leary stated she currently has no updates to share regarding the Subdivision Development Report. Mrs. O'Leary then stood for questions from the board.

Emily O'Leary gave a briefing on the Engineering and Construction Report. Mrs. O'Leary then stood for questions from the board.

Hollye Fain reminded the board of the upcoming Aqua WSC Annual Meeting, March 27, 2026. Mrs. Fain reported that Aqua sponsored three major community events in March. She also updated the board on the new Native Plant Series on social media, progress on the CIP project video for the annual meeting, increased engagement with Down Home Ranch, and noted that March is Water Awareness Month.

Joe Morris provided his Government Relations overview. Mr. Morris then stood for questions from the board.

There was no General Counsel's Report.

President Glass adjourned the Regular Session at 11:14: a.m. and immediately convened an Executive Session under the Texas Government Code, Section 551.071, for purposes of legal advice and consultations with Aqua's general counsel, Texas Government Code, Section 551.072, for the purposes of deliberating real property, and Texas Government Code, Section 551.074, for purposes of discussing personnel matters.

President Glass adjourned the Executive Session at 12:54 p.m. Mr. Glass reconvened the Regular Session at 12:54 p.m. He stated no action was taken and no decisions were made in the Executive Session.

Linda Garcia made a motion regarding Agenda Item #14, which was previously tabled, to authorize the General Manager to negotiate with SLR as she deems appropriate. Howard McCall seconded the motion, and the motion carried.

Linda Garcia made a motion to authorize President Glass to negotiate with HR on a bonus package for the General Manager. Howard McCall seconded the motion, and the motion carried.

There being no further business, President Glass adjourned the meeting at 12:55 p.m.

Approved: April 7, 2026

William F. Tomsu, Secretary Treasurer

David Glass, President