Aqua Water Supply Corporation
Board of Directors Meeting
Tuesday, April 8, 2025

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

Absent: N/A

Staff: Dacy Cameron, Heather Tucker, Christie Nutt, Frank Pacheco, Cody Boatright, Emily O'Leary, Hollye Fain, Jason Kennedy, Ashley Abshier, Jody Pruitt, Abby Valderrama, and Alma Villarreal

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

Guests: Alan Black, Nieves Alfaro, and Sam Werner representing Quiddity Engineering

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 the state flags.

Mr. Tomsu delivered the Invocation.

President Glass announced the next regularly scheduled board meeting would be held on Tuesday, May 6, 2025, at 9:00 a.m.

There was no member communication.

The board complimented the Aqua staff for their exceptional work organizing the annual meeting. Many members stated that this was the best annual meeting to date and enjoyed the videos that were presented.

Barry Barker arrived at the meeting at 9:07 a.m.

Bill Tomsu made a motion to approve the minutes of the March 4, 2025, board meeting. Pam Harkins seconded the motion, and the motion carried.

Bill Tomsu made a motion to approve the minutes of the March 28, 2025, special board meeting. Linda Garcia seconded the motion, and the motion carried.

Alan Black with Quiddity Engineering provided a presentation on Partnership Funding Opportunities for Infrastructure Projects. The presentation consisted of a condensed version on partnership strategies, programs available that are opportunities for Aqua to consider pursuing and help with financing for CIP projects over the next 5 to 10 years. Mr. Black then stood for questions from the board.

Linda Garcia made a motion to approve the bills as paid. Mark McArthur seconded the motion. The board reviewed the bills as paid. Staff responded to questions asked by the board. The motion carried.

The board reviewed the financial statement. Staff responded to questions asked by the board.

Dacy Cameron provided a briefing and discussion on adopting a Credit Card Policy. She explained that this concept was proposed by the finance committee. The suggested policy serves not only as a guideline but also as a formal agreement that each employee must sign, thereby acknowledging their responsibility regarding the use of the credit card. Linda Garcia made a motion to amend the eligibility and issuance paragraph to include the assistant general manager as an additional authorizing official on the policy. Bill Tomsu seconded the motion, and the motion carried.

Dacy Cameron provided a briefing and discussion on revising Aqua's Terms and Conditions for Wholesale Water Service to Districts to be Decertified from Aqua WSC's CCN No. 10294. Mrs. Cameron stated that this document consolidates the wholesale and terms and conditions policies into a single version. This new version includes updated definitions and rates, added definitions for smart meter fee, updated wholesale, customer charge, and updated the billing process. Craig Williams recommended removing the phrase "to be" from the heading to clarify that the terms and conditions affect the districts already decertified and not just the ones that are going to be decertified. Ty Embrey agreed with Mr. Williams' suggestion and asked the board to approve the motion subject to the change suggested by Craig Williams. Craig Williams then formally moved to amend the heading as suggested. Mark McArthur seconded the motion. The motion carried.

Dacy Cameron provided a briefing and discussion on revising Aqua's Policy for Wholesale Water Service to areas to be Decertified from Aqua's CCN No. 10294. Ty Embrey suggested to table this item until the next board meeting when there is more clarification on the terms and conditions for this policy.

Mark McArthur made a motion to retain David Glass as President. Linda Garcia seconded the motion, and the motion carried.

Bill Tomsu made a motion to nominate Linda Garcia as Vice President. Mark McArthur seconded the motion, and the motion carried.

Craig Williams made a motion to retain William (Bill) Tomsu as Secretary/Treasurer. Howard McCall seconded the motion, and the motion carried.

Linda Garcia moved that the next Aqua WSC's Annual Membership Meeting be scheduled for Friday, March 27, 2026. Howard McCall seconded the motion, and the motion carried.

Bill Tomsu made a motion to appoint Mark Hippler to represent Aqua WSC Zone 5. Linda Garcia seconded the motion, and the motion carried. Mr. Hippler joined the meeting as Aqua WSC Zone 5 Director.

Hollye Fain presented on voting for an Aqua WSC logo. She indicated that among the four options available, three were the preferred selections made by Aqua staff, while the fourth option represents the existing logo. She clarified that there would be no significant change in expenses. She mentioned that the change of the logo is a phase process, which will be digital first, then physical later. A new mascot design is presently under development and will be presented in a survey for members and staff to vote on. President called for number of votes for logo #A and #C, with #C receiving the majority of votes. Craig Williams abstained. President Glass suggested including Aqua staff to come up with a name for the mascot

Craig Williams made a motion authorizing condemnation for Daryl Heine, Erin Heine and Frontier Bank of Texas (Lienholder) of the Trinity Ranch Subdivision. Resolution 25.04.01. Linda Garcia seconded the motion. Emily O'Leary mentioned that this agenda item and agenda item #19 are related to the Trinity Ranch approach main. She said Aqua and the landowners have come to an agreement, so there's no need to proceed with the condemnation. However, since the agreement came after the condemnation was presented to the board for approval, it still needs to be approved, but the condemnation itself won't take place. The motion carried.

Howard McCall made a motion authorizing condemnation for Martha Neidig of the Trinity Ranch Subdivision. Resolution 25.04.02. Barry Barker seconded the motion. Emily O'Leary mentioned that Aqua and the landowners have come to an agreement, so there's no need to proceed with the condemnation. However, since the agreement came after the condemnation was presented to the board for approval, it still needs to be approved, but the condemnation itself won't take place. The motion carried.

Craig Williams made a motion to pass a resolution approving large volume water service to Ironwood Subdivision. Resolution No. 25.04.03. Mark McArthur 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 Piney Flats. Resolution No. 25.04.04. Barry Barker seconded the motion. Emily O'Leary provided a briefing and discussion. The motion carried.

Mark McArthur made a motion to pass a resolution recognizing the feasibility of providing water service to Sayers Ranch. Resolution No. 25.04.05. Linda Garcia seconded the motion. Emily O'Leary provided a briefing and discussion. The motion carried.

Craig Williams made a motion to pass a resolution recognizing the feasibility of providing water service to Southside Meadows-Graham Tract. Resolution No. 25.04.06. Howard McCall seconded the motion. Emily O'Leary provided a briefing and discussion. The motion carried.

President Glass made a formal request to the board for the approval of the feasibility studies pertaining to agenda items 24(a) through 24(l). Mr. Glass inquired with the board regarding the existence of any feasibility studies that require discussion prior to granting approval. Emily O'Leary responded to questions from the board. Bill Tomsu made a motion to approve agenda items 24(a) through 24(l). Linda Garcia seconded the motion. The motion carried.

Howard McCall made a motion on awarding the Watterson 1 and Watterson 2 Well drilling projects to Russell Drilling. Linda Garcia seconded the motion. Emily O'Leary provided a briefing and discussion and stood for questions from the board. There was concern from the board about not acquiring more bids for this project. The board expressed concerns regarding the lack of additional bids for this project. Mrs. O'Leary clarified that due to the time constraints associated with completing as many wells as possible before the permit expiration, she highly recommends Russell Drilling for this project, citing their qualifications and successful collaboration with Aqua's requirements. Curtis Steger also noted the limited number of qualified drillers capable of operating at this high capacity and debt level in the region. The board suggested obtaining more bids for future well projects to avoid the risk of favoring a single driller and to maintain competitive pricing. The motion carried.

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

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

Craig Williams reported no meeting was held, and there were no recommendations from the Performance Review Committee.

Bill Tomsu reported no meeting was held, and there were no recommendations from the Corporate Governance Committee.

David Glass reported no meeting was 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 10:45 a.m.

Dacy Cameron reviewed the General Manager's Report. Mrs. Cameron then stood for questions from the board.

Emily O'Leary gave a briefing on 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 shared updates from the Aqua WSC annual meeting, noting increased attendance and a strong turnout. More prizes were given out, and six industry partners participated, with plans to invite them again. She introduced Abby Valderrama as the new assistant for PR, Communications, and Accounting. She also announced upcoming educational videos on Aqua's drought stages to be shared online. The board inquired about the status of Aqua's trademark, and Mrs. Fain explained that while a previous logo was trademarked, the current one has not been. She added that securing the trademark for the current logo is her top priority.

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 11:26 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 12:02 p.m. Mr. Glass reconvened the Regular Session at 12:02 p.m. He stated no action was taken and no decisions were made in the Executive Session.

President Glass appointed new committee members as follows: Pam Harkins - Finance Committee, Mark Hippler – Scholarships Committee, and Barry Barker – Strategic Committee.

Bill Tomsu suggested naming two technical scholarships in memory of Mitchell Tiner. Mr. Glass advised that this matter be included in the agenda for next month's board meeting.

There being no further business, President Glass adjourned the meeting at 12:04 p.m.

Approved: May 6, 2025

William F. Tomsu, Secretary Treasurer

David Glass, President