

SPANISH COVE PUBLIC UTILITY DISTRICT

Minutes of Meeting of Board of Directors
April 5, 2022

The Board of Directors ("Board") of Spanish Cove Public Utility District met at 102-A Spanish Cove Dr., Crosby Texas 77532 on April 5, 2022 in accordance with the duly posted notice of said meeting, with the following members present as following:

Eldon Gizinski, President
Tommy Curry, Secretary
David Hilditch, Treasurer
Don Housely Jr. Director

And the following absent:

Doyle Bowers, Director.

Also present were Ms. Debbie Arellano, tax assessor-collector for the District; Mr. John Davis and Mr. Garrett Klenk, operators for the District; and Ms. Jennifer B. Seipel, attorney for the District. Also present was Mr. Joe Fogarty.

The President called the meeting to order and declared it open for such business might regularly come before it.

1. The Board considered approval of the minutes of the meetings held on March 1, 2022 and March 15, 2022. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. Ms. Arellano presented the tax assessor-collector's report, copy attached. Upon motion duly made, seconded and unanimously carried, the Board approved the tax assessor-collector's report and the checks listed thereon.

3. Mr. Hilditch presented the bookkeeper's report, copy attached. He noted that the District's fund balances were in good shape. Upon motion duly made, seconded and unanimously carried, the board approved the Bookkeepers report as reported.

4. The Board opened the floor for public comment. None was offered.

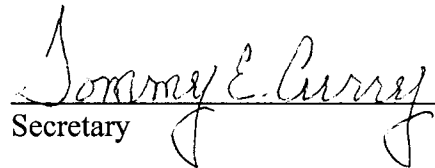
5. Mr. Klenk presented the operators report, copy attached. He reported on the previous month's activities, including a repair to booster pump no. 2 and installation of a new tap at 22119 Clajon Circle. Mr. Davis discussed various other administrative tasks performed during the month. After that discussion, the Board unanimously approved the operator's report.

6. Ms. Seipel reported that the District is required to review the FTC identity theft red flag program on an annual basis. The attorney recommended that no changes be made to the program. Accordingly, upon motion duly made, seconded, and unanimously carried, the Board voted unanimously to adopt the attached Resolution Affirming Identity Theft Prevention Program.

7. The Board then considered its contract for electricity, which expires June 30, 2022. The Board reviewed the proposals gathered by the District's electricity broker and, after discussion, unanimously approved the 60-month proposal and authorized its consultants to take all necessary action to promptly sign the agreement in order to lock in the rate set forth on the proposal.

8. Lastly, the Board discussed the agreement to provide water service to a proposed development known as Lone Wolf. Mr. Fogarty described the proposed development, and the Board asked several questions about himself and the East Houston Management District, which is the legal entity that ultimately will be responsible for providing water, sanitary sewer, and drainage service to the development. After that discussion, the Board told Mr. Fogarty that they were willing to continue negotiating a temporary water supply agreement provided that he provide the District with (i) financial information related to the East Houston Management District and Lone Wolf, and (ii) \$20,000 to cover the District's costs associated with reviewing and negotiating the proposed arrangement. Mr. Fogarty stated that the money would be wired to the District by Friday, April 8, 2022. Mr. Fogarty thanked the Board for their time and left the meeting.

There being no further business to come before the Board, the meeting was adjourned.


Secretary