

SPANISH COVE PUBLIC UTILITY DISTRICT

Minutes of Meeting of Board of Directors
June 7, 2022

The Board of Directors ("Board") of Spanish Cove Public Utility District met at 102-A Spanish Cove Dr., Crosby Texas 77532 on June 7, 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
Doyle Bowers, Director.
Don Housely Jr. Director

And the following absent:

None.

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

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 May 3, 2022. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

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

3. Ms. Arellano presented the tax assessor-collector's report, copy attached. The report reflected that the District's 2021 taxes are 96.4% collected. Ms. Arellano also noted that the District's taxable value increased 12.8% for 2022, with such total not yet certified. The Board also considered and approved a depository pledge agreement with Allegiance Bank, as recommended by the tax assessor-collector. Upon motion duly made, seconded and unanimously carried, the Board approved the tax assessor-collector's report and the checks listed thereon.

4. Mr. Hawthorne then presented the bookkeeper's report, copy attached. He noted that he would be serving as the District's representative in place of Jordan Moore. He also stated that the District's fund balances are in good shape. He also reported that the deposit check received from the developer for Lone Wolf has been returned to them. Upon motion duly made, seconded and unanimously carried, the board approved the Bookkeepers report as reported.

5. Mr. Davis presented the operators report, copy attached. He reported on the previous month's activities. He presented the District's 2022 consumer confidence report,

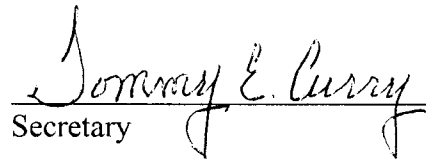
which the Board approved and authorized its distribution as required by law. Mr. Davis also noted that six meters were replaced during the prior month, and a leak was located on Sierra Madre. Subject to that discussion, the Board unanimously approved the operator's report.

6. Ms. Seipel reported on the necessity to submit emergency operations information and an application for critical load status. Texas law requires that the District submit information regarding its emergency operations to state emergency operations offices and local Harris County offices. In addition, the District must apply for its critical water and sewer facilities to be given priority status for power restoration after a hurricane or other storm. The Board acknowledged the attorney's submission of the necessary documentation with input from the District's operator.

7. The Board reviewed the ethics letter and update by investment officer. The attorney noted that annually the investment officer is asked to disclose whether he has any personal business relationships (as that term is defined by statute) with anyone offering to engage in an investment transaction with the District. The bookkeeper submitted the required disclosure which indicated that he had no such relationships to disclose. The attorney noted that this document would be filed with the Texas Ethics Commission and in the District's records as required by law. Upon unanimous vote, the Board approved the investment officer disclosure as presented and authorized its necessary filing.

8. Under pending business, the Board discussed the Lone Wolf development. Subject to that discussion, the Board took no further action. Director Gizinski also requested that the engineer and attorney coordinate with the City of Houston regarding a meeting to discuss a new interconnect agreement. They agreed to do so.

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


Secretary