

## SPANISH COVE PUBLIC UTILITY DISTRICT

Minutes of Meeting of Board of Directors  
September 3, 2024

The Board of Directors ("Board") of Spanish Cove Public Utility District met at 102-A Spanish Cove Dr., Crosby Texas 77532 on September 3, 2024 in accordance with the duly posted notice of said meeting, with the following members present as following:

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

and the following were absent:

None.

Also present were Ms. Debbie Arellano, tax assessor-collector for the District, Mr. John Davis, operator 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 first considered approval of the minutes of the meeting held on August 6, 2024. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. No public comment was offered.

3. Ms. Arellano presented the tax assessor-collector's report. The report showed 2023 taxes as being 96.9% collected. As for the accounts that remain delinquent, the District's delinquent tax attorney, Purdue Brandon, recommended that water terminations be performed following appropriate notification to the residents in question. Upon motion duly made, seconded and unanimously carried, the Board approved the tax assessor-collector's report and the checks listed thereon.

4. Ms. Arellano presented the bookkeeper's report. Upon motion duly made, seconded and unanimously carried, the Board approved the bookkeeper's report and the checks listed thereon.

5. Ms. Arellano presented a recommendation with respect to the District's 2024 tax rate. The Board reviewed the analysis and recommendation. The Board considered the attached Resolution Finding District to be Low Tax Rate, Developed, Developing, or Developed District in a Declared Disaster Area, Calling Public Hearing on 2024 Tax Rate, and Authorizing

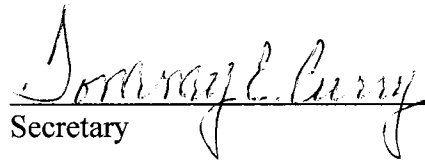
Tax Assessor-Collector to Prepare and Publish Notice of the Public Hearing. After discussion, upon unanimous vote, the Board found that the District is a Developed district under Texas Water Code §49.23602 and adopted the attached Resolution so stating. The Board also authorized publication of a Notice of a Public Hearing on October 1, 2024, at which the Board will consider adoption of a total 2024 tax rate of \$0.46333 per \$100 assessed valuation. The attorney noted that after considering a proposed tax rate, the District must update the transparency report required by Section 26.18 of the Texas Tax Code. Upon unanimous vote, the Board authorized the attorney to update the compliance document and post it on the internet.

6. The Board considered a Resolution Adopting an Operating Budget for the Fiscal Year Ending September 30, 2025. Upon motion duly made, seconded, and unanimously carried, the Board approved the budget as presented.

7. The Board considered the continued engagement of their auditor, McCall, Gibson, Swedlund Barfoot PLLC, for the performance of an audit of the September 30, 2024 fiscal year. It was noted that the auditor anticipates the fee for such audit to be similar to that charged for the prior year. The Board unanimously agreed to retain the auditor.

8. Mr. Davis presented the operator's report for the District and noted no major concerns. The operator stated that one leak was repaired during the prior month. The attorney reported that the interconnect agreement with the City of Houston is still pending approval by the City.

There being no other business coming before the Board, the meeting was adjourned.

  
Secretary