

## **SPANISH COVE PUBLIC UTILITY DISTRICT**

Minutes of Meeting of Board of Directors

December 2, 2025

The Board of Directors ("Board") of Spanish Cove Public Utility District met at 102-A Spanish Cove Dr., Crosby Texas 77532 on December 2, 2025 in accordance with the duly posted notice of said meeting, with the following members present as following:

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

and the following absent:

None

Also present were Ms. Debbie Arellano, tax assessor-collector for the District, John Davis and Mr. Colton Davis, operators for the District, Mr. Josh Rambo, auditor for the District; and Ms. Charlotte Aaronson and Ms. Jennifer B. Seipel, attorneys 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 November 4, 2025. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. No public comment was received.

3. Mr. Rambo approached the Board to review the District's audit for the fiscal year ended September 30, 2025. He stated that his office was issuing a clean opinion for the audit, and the District continues to have healthy fund balances. During discussion of the audit, Director Bowers asked a question regarding the purported \$1,200,000 in authorized but unissued bond authority identified in the report. The attorney stated that, while such statement is technically correct, this authority has become "stale" under Texas law and cannot be utilized for purposes of issuing new debt. Subject to that discussion, the Board unanimously approved the audit in substantially the form presented and authorized its filing with all appropriate entities.

4. There was presented the attached Resolution Affirming Review of Investment Policy, Strategies and Objectives. It was noted that pursuant to the Public Funds Investment Act, the District is annually required to review its investment policy to assure its compliance with Texas law. No revisions were recommended at this time to the investment

policy, and the auditor's report noted no deficiencies with respect to how the District's investments are handled. Upon unanimous vote, the Board adopted the resolution as presented.

5. The Board discussed the required review of the District's investments and qualified brokers list in compliance with Senate Bill 253 and other Texas law. It was noted that the District's investments were in compliance with the list promulgated by the State Comptroller, which is monitored periodically to prevent violations of the law.

6. Ms. Arellano presented the tax assessor-collector's report, copy attached. The report showed the District's 2025 taxes as being 7.1% collected. Upon motion duly made, seconded and unanimously carried, the Board approved the tax assessor-collector's report and the checks listed thereon.

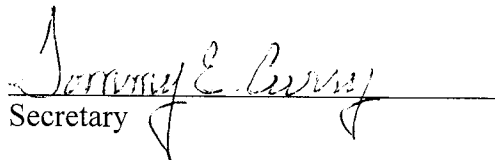
7. Ms. Arrellano presented the bookkeeper's report, copy attached. Upon motion duly made, seconded and unanimously carried, the Board approved the bookkeeper's report as presented.

8. Mr. Davis presented the operator's report, copy attached. He provided an update on the City of Houston's interconnect project, noting that it is delayed due to project scope revisions aimed at bringing costs down. Mr. Davis also discussed the District's need to increase its water rates and potentially issue bonds in order to keep the District's facilities working properly. The attorney recommended that the District hold a bond election to assist in meeting the District's long-term capital improvement needs. The Board agreed and authorized the attorney's office to begin to take the steps necessary to conduct such an election. The Board also requested that discussion of its Rate Order be placed on the next agenda. Subject to that discussion, the Board approved the operator's report as presented.

9. Ms. Seipel noted that her office would complete the annual eminent domain filing by the February 1, 2026 deadline, as required by Texas law.

10. Under pending business, the attorney presented a recap of all of the legal and other accomplishments for 2025.

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

  
Secretary