

SPANISH COVE PUBLIC UTILITY DISTRICT

Minutes of Meeting of Board of Directors

August 4, 2026

The Board of Directors ("Board") of Spanish Cove Public Utility District met at 102-A Spanish Cove Dr., Crosby Texas 77532 on August 4, 2026 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; Ms. Jennifer Seipel, attorney for the District; and Mr. John Davis and Mr. Cole Davis, operators for the District. Also present were several members of the community, Mr. Zane Mehaffie, Mr. Santiago Aviles, Ms. Mauricia Aviles, Mr. Dennis Kingston, Mr. Bill Gerhardt, Ms. Racquel Davis, and Ms. Penny Rankin.

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 July 7, 2026. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. Under public comment, the Board took questions from the community regarding the proposed bond election to be held in November. The attorney explained that the District currently has no bond authority, and without such authority, the Board was left with no choice but to institute a capital improvement fee in its Rate Order and Fee Schedule in order to finance anticipated capital improvement projects. The attorney stated that, should the bond election pass, the need for the capital improvement fee would be eliminated. The attorney also stated that the Board does not intend to immediately sell bonds but would only rely on such bond authority if and when the state of the District's facilities requires a sale. After fielding several additional questions from members of the audience, the Board moved on to its regular business.

3. Ms. Arellano presented the tax assessor-collector's report, copy attached. The report showed the District's 2025 taxes as being 97% collected. Upon motion duly made, seconded and unanimously carried, the Board approved the tax assessor-collector's report and the checks listed thereon.

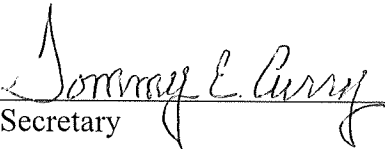
4. Ms. Arellano presented the bookkeeper's report, copy attached. Subject to that discussion, upon motion duly made, seconded and unanimously carried, the Board approved the bookkeeper's report as presented, including the checks listed thereon.

5. Mr. Davis presented the operator's report, copy attached. He reported on operational matters during the prior month. The operator noted that the City of Houston installation of the meter for the interconnect is nearing completion. Subject to that discussion, the Board approved the operator's report as presented and the action items thereon.

6. The Board reviewed a draft of the September 30, 2027 budget and agreed to place adoption of same on next month's agenda.

7. It appeared that the plans and engineer's report heretofore adopted met all legal requirements of Section 54.506, Texas Water Code, and that all other legal requirements for ordering a bond election had been fulfilled, and that a bond election should be called. There was then presented the attached Order calling a bond election to be held on November 3, 2026. After consideration, it was duly moved, seconded and unanimously carried that said order be passed and adopted.

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


Secretary