



MEMORANDUM

TO: South Texas Water Authority Board of Directors
FROM: Jose M Graveley, President
DATE: February 4, 2026
SUBJECT: Meeting Notice and Agenda for the South Texas Water Authority

A Regular Meeting of the STWA Board of Directors is scheduled for:

Tuesday, February 10, 2026

5:30 p.m.

Courthouse Annex Law Enforcement Center
1500 E. King, Kingsville TX 78363

The Board will consider and act upon any lawful subject which may come before it, including among others, the following:

Agenda

1. Call to order.
2. Citizen comments. This is an opportunity for citizens to address the Board of Directors concerning an issue of community interest that is not on the agenda. Comments on the agenda items must be made when the agenda item comes before the Board. The President may place a time limit on all comments. The response of the Board to any comment under this heading is limited to making a statement of specific factual information in response to the inquiry, or, reciting existing policy in response to the inquiry. Any deliberation of the issue is limited to a proposal to place it on the agenda for a later meeting.
3. Consideration and approval of an order calling a bond election for the South Texas Water Authority, making provision for the conduct of the election, and resolving other matters incident and related to such election. (Attachment 1)
4. Consideration and possible action to approve a resolution by the South Texas Water Authority requesting financial participation from the Texas Water Development Board; authorizing the filing of an application for financial participation; and making certain findings in connection therewith. (Attachment 2)
5. Approval of Minutes. (Attachment 3)
6. Quarterly Report/Treasurer's Report/Payment of Bills. (Attachment 4)
7. Operation and Maintenance Report. (Attachment 5)
8. Discussion and possible action on Board of Directors' compensation. (Attachment 6)

9. **Resolution 26-01.** A resolution authorizing Director's Fees in accordance with Section 49.060 of the Texas Water Code for each day a director spends performing the duties of director. (Attachment 7)
10. Purchase of Black Mountain Software Asset Manager Module. (Attachment 8)
11. **Resolution 26-02.** Resolution appointing Frances De Leon and August Patroelj to serve as assistant secretaries for South Texas Water Authority. (Attachment 9)
12. Appointment of South Texas Water Authority co-investment officers. (Attachment 10)
13. **Resolution 26-03.** Resolution appointing August Patroelj and Clarissa Vargas as STWA's co-investment officers. (Attachment 11)
14. Appointment of Assistant Executive Director. (Attachment 12)
15. Approval to transfer Cathodic Protection Technician position to Field Technician. (Attachment 13)
16. Update on Seven Seas Project. (Attachment 14)
17. Executive Session Agenda Items - In this executive session the Board of Directors will deliberate or receive legal advice regarding (1) each of the following matters pursuant to the Section(s) of the Texas Government Code in parenthesis at the end of such matter, and (2) any other items on today's agenda that the presiding officer of the meeting has announced will be considered in this executive session (collectively, the "Executive Session Agenda Items"). The Board of Directors may take action in open session after the executive session on any of the Executive Session Agenda Items. The Board of Directors will deliberate the purchase, exchange, lease or value of real property in executive session only if deliberation in an open meeting would have a detrimental effect on District's position in negotiations with a third person.
 17. a. Receive legal advice from counsel regarding alternate water sources. (§551.071)
18. Open Session Agenda Items for Post-Executive Session Action - The Board of Directors will reconvene in Open Session and take action on (1) the agenda items listed below, (2) any other items on this agenda that were postponed or tabled until after Executive Session, and (3) any of the Executive Session Agenda items.
 18. a. Discuss and take action to approve Second Amended and Restated Water Supply Agreement by and between South Texas Water Authority and Seven Seas Water (STWA) USA, LLC.

19. Administration Report.

- Future Board Meeting Dates

20. Adjournment.

The Board may go into closed session at any time when permitted by Chapter 551, Government Code. Before going into closed session, a quorum of the Board must be assembled in the meeting room, the meeting must be convened as an open meeting pursuant to proper notice, and the presiding officer must announce that a closed session will be held and must identify the sections of Chapter 551, Government Code, authorizing the closed session.

JMG/JM/fdl
Attachments

This meeting notice was posted on
STWA's website, www.stwa.org, and on
indoor and outdoor bulletin boards at
STWA's administrative offices,
2302 East Sage Road, Kingsville, Texas at
5:00 am/pm on February 4, 2026.
James DeLeon
Assistant Secretary

ATTACHMENT 1

Order Calling a Bond Election

Memo

TO: South Texas Water Authority Board of Directors
FROM: John Marez, Executive Director
DATE: February 5, 2026
Re: **Consideration and Approval of Order Calling Bond Election**

Background:

The South Texas Water Authority is evaluating future capital improvements and infrastructure investments necessary to maintain system reliability, regulatory compliance, and long-term water supply security for its member systems and customers. Funding for these projects may require the issuance of bonds, which under Texas law must be authorized by voters through a bond election.

Texas election law requires the Board to formally adopt an order calling the election and declaring its intent to hold a bond election. This action establishes the legal authority to proceed and outlines the provisions necessary to conduct the election.

Analysis:

Adoption of the proposed order will officially call a bond election to be held on May 2nd, authorize election administration procedures, and address all matters required to conduct the election in compliance with state law.

State requirements mandate that the Board take formal action through a recorded vote to declare its intent to hold the election. Approval of this order ensures the Authority meets statutory deadlines, provides proper public notice, and coordinates with the county elections office. Failure to act at this time could delay the election timeline and postpone project financing and implementation.

Fiscal Impact:

The estimated cost to conduct the bond election is approximately \$25,000. While this expense was not specifically budgeted, anticipated savings within the personnel salaries line item are expected to offset these costs.

Associated expenses include hiring election staff to support early voting and Election Day polling locations, rental of election equipment, and related administrative services.

Staff Recommendation:

Approve the order calling a bond election for May 2nd and authorize staff and legal counsel to proceed with all required election preparations and notices in accordance with Texas law.

Board Action:

Consideration and approval of an order calling a bond election for the South Texas Water Authority, making provision for the conduct of the election, and resolving other matters incident and related to such election.

Summary:

Approval of this order allows the Authority to comply with Texas election requirements, formally declare the Board's intent to hold a bond election, and proceed with the necessary steps to place the bond proposition before voters on May 2nd.

Saturday, May 2, 2026 (Election Day)

Saturday, May 2, 2026 (Election Day)

7:00 AM – 7:00 PM	Polls open. (Sec. 41.031). Voter registrar's office is open. (Sec. 12.004(c)). Early voting clerk's office is open for early voting activities. (Sec. 83.011). A voter may deliver a marked ballot by mail to the early voting clerk's office while the polls are open on election day. The voter must provide an acceptable form of identification under Section 63.0101 upon delivery. The identification procedure is the same as that used for personal appearance voting. (Secs. 63.0101, 86.006).
5:00 PM	Deadline for receiving Application for Emergency Early Voting Ballot Due to Sickness or Physical Disability (PDF) for late ballots to be voted by persons who became sick or disabled on or after Monday, April 20, 2026. (Sec. 102.003(b)).
7:00 PM	Regular deadline for receiving early voting ballots by mail. BUT see entry for Monday, May 4, 2026 on "late domestic ballots," entry for Thursday, May 7, 2026, and entry for Friday, May 8, 2026 on other "late" ballots. This is also the deadline for receiving late ballots cast by voters who became sick or disabled on or after Monday, April 20, 2026. (Secs. 86.007(a), 102.006(c)).

NOTE - Section 61.002 provides that immediately before the opening of the polls on election day, the presiding judge or alternate judge shall confirm that the public counters on each voting machine are set to zero and shall print the tape that shows that there are zero votes for each candidate or measure on the ballot. Immediately after the closing of the polls on election day, the presiding judge or alternate judge shall print the tape to show the number of votes cast for each candidate or measure. Each election judge and alternate judge shall sign the printed tapes. (Sec. 61.002).

NOTE - The presiding judge of the central counting station must provide and attest to a [written reconciliation \(PDF\)](#) of votes and voters at the close of tabulation for election day and again after the central counting station meets for the last time to process late-arriving ballots by mail and provisional ballots. (Sec. 127.131). [Preliminary Election Reconciliation \(PDF\) – Unofficial Totals form \(Election Day\)](#). [Election Reconciliation Form \(PDF\) – Official Results \(Canvass Form\)](#). [See Note on Reconciliation.](#)

NOTE - Receipt of Mail Ballots: All early voting ballots sent by mail from inside the United States that are received by 7:00 PM on election day, May 2, 2026, **must be counted on election night**. If the carrier envelope does not bear a cancellation mark or a receipt mark,

the ballot must arrive before the time the polls are required to close **on election day**. (Sec. 86.007(a)(1)). If the early voting clerk cannot determine whether a ballot arrived before that deadline, the ballot is considered to have arrived at the time the place at which the carrier envelopes are deposited was last inspected for removal of returned ballots. (Sec. 86.007(b)). The early voting clerk **must** check the mailbox for early voting mail ballots at least once after the time for regular mail delivery. (Sec. 86.007(b)).

NOTE - An early voting mail ballot that is not received by 7:00 pm on election day may not be counted unless the ballot may be counted late, which applies to late domestic ballots (Sec. 86.007(a)(2)), ballots mailed from outside the United States (Sec. 86.007(d)), and ballots from members of the armed forces and merchant marine of the United States, Texas National Guard or the National Guard of another state or members of the Reserves, as well as their spouses and dependents (Sec. 101.057). See [entry](#) for Monday, May 4, 2026 on “late domestic ballots,” [entry](#) for Thursday, May 7, 2026, and [entry](#) for Friday, May 8, 2026 on other “late” ballots.

NOTE - Delivery of Early Voting by Personal Appearance and Mail Ballots: The early voting clerk delivers the voted ballots, the key to the double-locked ballot box, etc., to the early voting ballot board at the time or times specified by the presiding judge of the early voting ballot board, during the hours the polls are open or as soon after the polls close as practicable. (Secs. 87.021, 87.022). The custodian of the key to the second lock of the double-locked early voting ballot box delivers his or her key to the presiding judge of the early voting ballot board on request of the presiding judge. (Secs. 85.032(d), 87.025).

The custodian is the sheriff for county elections; the chief of police or city marshal for city elections; and the constable of the justice precinct in which the political subdivision's main office is located (or the sheriff, if there is no constable), for other political subdivision elections. (Sec. 66.060). If ballots are to be delivered before election day, the early voting clerk must post [notice \(PDF\)](#) at least 24 hours before each delivery at the main early voting polling place. [Tex. Sec'y of State Election Advisory No. 2022-10](#).

Note on Delivery of Early Voting Ballots to Early Voting Ballot Board Before Election Day - Any jacket envelopes of early voting ballots voted by mail returned after delivery of the ballots to the early voting ballot board may be delivered to the presiding judge of the early voting ballot board between the end of the ninth day before election day and the closing of the polls on election day, or as soon after closing as practicable, at the time or times specified by the presiding judge.

Mail ballots may be qualified and processed (signatures verified, carrier envelopes opened, and the secrecy envelope containing the ballot placed in a secure location), but they may

not be counted until election day. (Secs. 87.0221, 87.0222, 87.023, 87.024, 87.0241). If ballots are to be delivered before election day, the early voting clerk must post [notice \(PDF\)](#) at least 24 hours before each delivery at the main early voting polling place.

Exception: Entities that are having joint elections with counties with a population of 100,000 or more or who are conducting an election through a contract for election services with such a county, may begin counting ballots no earlier than the end of the period for early voting by personal appearance; the results may not be released until the polls close on election day. (Secs. 87.0221, 87.0222, 87.023, 87.024, 87.0241(b), 87.042). If ballots are to be delivered before election day, the early voting clerk must post [notice \(PDF\)](#) at least 24 hours before each delivery at the main early voting polling place. (Secs. 87.0221, 87.0222, 87.023, 87.024, 87.0241(b), 87.042).

NOTE – NEW LAW: SB 2217 (2025, R.S.) - In an election using centrally counted optical scan ballots, the presiding judge of the central counting station shall prepare a report regarding the total number of ballots scanned by each optical scanner from each data storage device. The presiding judge of the central counting station shall prepare one report for the total number of ballots from each specific data-storage device. The presiding judge of the central counting station must prepare the report for the data-storage device before the information from the storage device is read into a central accumulator. The report prepared before the opening of polling locations on election day may not contain information on the number of votes cast for any candidate or for or against any proposition. (Sec. 127.1302).

NOTE - Section 127.1232 provides that in counties with a population of 100,000 or more, the general custodian of election records shall implement a video surveillance system that retains a record of all areas containing voted ballots: (1) from the time the voted ballots are delivered to the central counting station until the canvass of the precinct election returns; and (2) from the time the voted ballots are delivered to the signature verification committee or early voting ballot board until the canvass of precinct election returns. Video from the surveillance system shall be made available to the public by live stream. The recorded video is considered an election record and shall be retained by the general custodian until the end of the calendar year in which an election is held or until an election contest filed in the county has been resolved, whichever is later. (Sec. 127.1232). [Tex. Sec’y of State Election Advisory No. 2022-10](#).

NOTE - Manual Examination of Ballots Before Processing on Automatic Counting Equipment: The central counting station manager shall direct the manual examination of all electronic voting system ballots to ascertain whether the ballots can be processed in

the usual manner or if the ballots need to be duplicated to clearly reflect the voter's intent. (Sec. 127.125).

NOTE - Testing of Tabulating Equipment: The second test of automatic tabulating equipment used for counting ballots at a central counting station must be conducted immediately before the counting of ballots with equipment begins. The third test must be conducted immediately after the counting is completed. (Secs. 127.093, 127.097, 127.098).

Transfer of Provisional Ballots to Voter Registrar Election Night: The county voter registrar may take possession of the ballot box(es) or transfer case(s) containing the provisional ballots (or provisional ballot affidavits when DRE systems are used) on election night (instead of on the next business day) by informing the custodian of election records and posting a notice of such election night transfer no later than 24 hours before election day. Under this type of delivery, the voter registrar must go to the office of the custodian and pick up the ballot box(es) or transfer case(s) and associated forms. (Sec. 65.052; 1 T.A.C. §§ 81.172 – 81.174 & 81.176). See [Verification of Provisional Ballots and Serial Numbers \(PDF\)](#).

After the polling place is officially closed and the last person has voted, the presiding judge may from time to time make an unofficial announcement of the total number of votes counted for each candidate and/or for or against each proposition in the order that they appear on the ballot. (Sec. 65.015(a)). The announcement shall be made at the entrance to the polling place. (Sec. 65.015(c)).

NOTE - The authority conducting the election may require or prohibit such announcements. (Sec. 65.015(b)). Unofficial election results must be released by the central counting station as soon as they are available after the polls close, but the presiding judge of the central counting station, in cooperation with the county election officer, may choose to withhold the release of vote totals until the last voter has voted. (Sec. 127.1311).

NOTE - Precinct election returns are delivered to the appropriate authorities after completion. (Secs. 66.053(a), 127.065, 127.066, 127.067).

Last day to post notice of governing authority's meeting to canvass returns of election if canvass is to take place on Tuesday, May 5, 2026 (3rd day after election). (Sec. 67.003(b)). This notice must be posted at least three business days before the day of the meeting. (Secs. 551.002, 551.041, 551.043, Texas Government Code).

NEW LAW NOTE: HB 1522 (2025, R.S.), effective September 1, 2025, modifies notice requirements for meetings conducted under the open-meetings law by changing the notice

posting requirement from a minimum of 72 hours to at least three business days before the date of the scheduled meeting. (Sec. 551.043, Government Code).

NOTE - Section 67.003 provides that, except as provided by Section 67.003(c), each local canvassing authority shall convene to conduct the local canvass at the time set by the canvassing authority's presiding officer not later than the 11th day after election day and not earlier than the later of:

1. the **third day after election day**;
2. the date on which the early voting ballot board has verified and counted all provisional ballots, if a provisional ballot has been cast in the election; or
3. the date on which all timely received ballots cast from addresses outside of the United States are counted, if a ballot to be voted by mail in the election was provided to a person outside of the United States; or
4. the date on which all ballots received in defective carriers are timely corrected, if any ballots in defective carriers have been received.

Counties, Cities, and School Districts: Section 65.016 of the Code provides the election results information that must be posted on county, city, and school district websites. A county that provides election services for an election for a public entity must post certain information regarding election results on their website after the election. A city or independent school district that holds an election and maintains an Internet website must also post certain information on their website related to election results, even if the county is also posting. All entities must post the required information **as soon as practicable after the election**. For more information, see [Note 3](#).

NOTE - NEW LAW: HB 521 (2025, R.S.), effective September 1, 2025, makes several changes to curbside voting and assistance procedures. All curbside voters must fill out a form attesting that they are physically unable to enter the polling place. The form can be filled out either on an electronic pollbook or on a separate paper form. (Sec. 61.003).

When curbside voters are given transportation by another person, the election officer must ask the person providing transportation whether the person has assisted seven or more curbside voters during the entire voting period (meaning early voting and election day combined). If the driver indicates that they have assisted seven or more curbside voters, then he or she must complete and sign a form that contains the person's name and address and indicates whether the person is assisting the voter with voting as well. These forms must be delivered to our office as soon as practicable. (Sec. 64.009).

Link: Texas SOS [May 2, 2026 Election Law Calendar](#)

CERTIFICATE FOR ORDER

We, the undersigned President and Secretary of the South Texas Water Authority (the "Authority") hereby certify as follows:

1. The Board of Directors of the Authority (the "Board") convened in regular session, open to the public, on February 10, 2026 at the meeting place designated in the notice (the "Meeting"), and the roll was called of the members, to wit:

Jose M. Graveley, President
Frances Garcia, Vice President
Imelda Garza, Secretary/Treasurer
Dr. Tanya Lawhon, Director
Daniel Morales, Director

Joe Morales, Director
Angela N. Peña, Director
Patsy Rodgers, Director
Art Rodriguez, Director

All members of the Board were present, except _____, thus constituting a quorum. Whereupon among other business, the following was transacted at the Meeting: a written

AN ORDER CALLING A BOND ELECTION FOR THE SOUTH TEXAS WATER AUTHORITY, MAKING PROVISION FOR THE CONDUCT OF THE ELECTION, AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO SUCH ELECTION

(the "Order") was duly introduced for the consideration of the Board. It was then duly moved and seconded that the Order be finally passed and adopted; and after due discussion, such motion, carrying with it the adoption of the Order prevailed and carried by the following vote:

YES: ____ NOES: ____ ABSTENTIONS: ____

2. A true, full, and correct copy of the Order adopted at the Meeting is attached to and follows this Certificate; the Order has been duly recorded in the Board's minutes of the Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of the Meeting pertaining to the adoption of the Order; the persons named in the above and foregoing paragraph are duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting, and that the Order would be introduced and considered for adoption at the Meeting and each of such officers and members consented, in advance, to the holding of the Meeting for such purpose; and the Meeting was open to the public, and public notice of the time, place, and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

SIGNED AND SEALED this February 10, 2026.

Secretary

President

(AUTHORITY SEAL)

ATTACHMENT 2

Resolution – TWDB Funding

Memo

TO: South Texas Water Authority Board of Directors
FROM: John Marez, Executive Director
DATE: February 5, 2026
Re: **Resolution Authorizing Application for Financial Participation - TWDB**

Background:

The Authority has identified significant infrastructure needs related to aging facilities, system reliability, and planned improvements necessary to maintain regulatory compliance and ensure continued service to member systems and customers. A resolution has been prepared authorizing the filing of an application for financial participation with the Texas Water Development Board (TWDB).

Analysis:

Approval of the resolution allows the Authority to formally apply for low-interest financing through TWDB programs. These funds may be used to repair, replace, or construct critical water infrastructure improvements while reducing overall borrowing costs and preserving ratepayer affordability.

Fiscal Impact:

The Authority is eligible for up to \$60,000,000 in low-interest loan financing to support infrastructure repair, replacement, and new construction projects. Final debt service impacts will depend on project scope, timing, and loan terms.

Staff Recommendation:

Staff recommends approval of the resolution authorizing submission of the financial assistance application to the Texas Water Development Board.

Board Action:

Consider and approve the resolution requesting financial participation from the Texas Water Development Board and authorizing the filing of the application.

Summary:

Approval of this item positions the Authority to secure substantial low-cost financing to address critical infrastructure needs, strengthen system reliability, and support long-term service to our communities.

CERTIFICATE FOR RESOLUTION

We, the undersigned President and Secretary of the South Texas Water Authority (the "Authority") hereby certify as follows:

1. The Board of Directors of the Authority (the "Board") convened in regular session, open to the public, on February 10, 2026 at the meeting place designated in the notice (the "Meeting"), and the roll was called of the members, to wit:

Jose M. Graveley, President
Frances Garcia, Vice President
Imelda Garza, Secretary/Treasurer
Dr. Tanya Lawhon, Director
Daniel Morales, Director

Joe Morales, Director
Angela N. Peña, Director
Patsy Rodgers, Director
Art Rodriguez, Director

All members of the Board were present, except _____, thus constituting a quorum. Whereupon among other business, the following was transacted at the Meeting: a written

A RESOLUTION BY THE SOUTH TEXAS WATER AUTHORITY REQUESTING FINANCIAL PARTICIPATION FROM THE TEXAS WATER DEVELOPMENT BOARD; AUTHORIZING THE FILING OF AN APPLICATION FOR FINANCIAL PARTICIPATION; AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH

(the "Resolution") was duly introduced for the consideration of the Board. It was then duly moved and seconded that the Resolution be finally passed and adopted; and after due discussion, such motion, carrying with it the adoption of the Resolution prevailed and carried by the following vote:

YES: _____ NOES: _____ ABSTENTIONS: _____

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of the Meeting pertaining to the adoption of the Resolution; the persons named in the above and foregoing paragraph are duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting, and that the Resolution would be introduced and considered for adoption at the Meeting and each of such officers and members consented, in advance, to the holding of the Meeting for such purpose; and the Meeting was open to the public, and public notice of the time, place, and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

SIGNED AND SEALED this February 10, 2026.

Secretary

President

(AUTHORITY SEAL)

ATTACHMENT 3

Minutes

SOUTH TEXAS WATER AUTHORITY
Minutes – Regular Board of Directors Meeting
December 9, 2025

Board Members Present:

Jose Graveley
Imelda Garza
Patsy Rodgers
Tanya Lawhon
Daniel Morales (Zoom)
Joe Morales
Angela Pena
Art Rodriguez

Board Members Absent:

Frances Garcia

Staff Present:

John Marez
Frances De Leon
Jo Ella Wagner
Victor Gutierrez
August Patroelj
Clarissa Vargas

Guests Present:

Greg Szuman, Willatt & Flickinger (Zoom)
Rogelio Rodriguez, Water Finance
Exchange (Zoom)
Esteban Ramos, Corpus Christi Water
Chris Cuellar, Nueces County
Ivan Luna, I.C.E.
Sergio Luna, I.C.E.
Ansar Palakkal, I.C.E.
Kasy Stinson, Seven Seas
Charlie Zahn
Andrew Mendez

1. Call to Order.

Mr. Jose Graveley, Board President, called the Regular Meeting of the STWA Board of Directors to order at 5:35 p.m. at the Courthouse Annex Law Enforcement Center, 1500 E. King, Kingsville, Texas. A quorum was present.

2. Citizen Comments.

Mr. Graveley opened the floor to citizen's comments. No comments were made.

3. Approval of Minutes

Mr. J. Morales made a motion to approve the minutes of the October 27, 2025 Regular Meeting, the November 12, 2025 Workshop and the November 12, 2025 Special Meeting as presented. Ms. Rodgers seconded. The motion passed by unanimous vote.

4. Quarterly Report/Treasurer's Report/Payment of Bills.

The following reports were presented for Board approval:

STWA Investment Report for the Quarter ended September 30, 2025

STWA Cash Report by Fund/Account for September, 2025
Treasurer's Report for period ending September 30, 2025
STWA Income Statement – Comparison to Prior Year for September, 2025
Revenue Fund Income Statement for period ending September 30, 2025
STWA Revenue Fund Trial Balance – September, 2025
STWA Revenue Fund Balance Sheet – September, 2025
Tax Fund Income Statement for period ending September 30, 2025
Special Services Income Statement for period ending September 30, 2025
STWA Debt Service Fund Income Statement for period ending September 30, 2025
STWA Debt Service Fund Trial Balance – September, 2025
STWA Debt Service Fund Balance Sheet – September, 2025
STWA Capital Projects Fund Income Statement for period ending September 30, 2025
STWA Capital Projects Fund Trial Balance – September, 2025
STWA Capital Projects Fund Balance Sheet – September, 2025
Treasurer's Report for period ending October 31, 2025
STWA Cash Report by Fund/Account for October, 2025
STWA Income Statement – Comparison to Prior Year for October, 2025
Revenue Fund Income Statement for period ending October 31, 2025
STWA Revenue Fund Trial Balance – October, 2025
STWA Revenue Fund Balance Sheet – October, 2025
Tax Fund Income Statement for period ending October 31, 2025
Special Services Income Statement for period ending October 31, 2025
STWA Debt Service Fund Income Statement for period ending October 31, 2025
STWA Debt Service Fund Trial Balance – October, 2025
STWA Debt Service Fund Balance Sheet – October, 2025
STWA Capital Projects Fund Income Statement for period ending October 31, 2025
STWA Capital Projects Fund Trial Balance – October, 2025
STWA Capital Projects Fund Balance Sheet – October, 2025

The following outstanding invoices were presented for Board approval:

• Estrada Hinojosa	\$ 5,000.00
• LEPC	\$ 500.00
• Charles W. Zahn, Jr., Attorney at Law	\$ 12,860.00
• Willatt & Flickinger, Attorneys at Law	\$ 7,853.50
• Willatt & Flickinger, Attorneys at Law	\$ 3,083.50

Mr. Rodriguez made a motion to approve the Quarterly Report, Treasurer's Report and payment of bills. Mr. J. Morales seconded. The motion passed unanimously.

5. Operation and Maintenance Report.

The Board reviewed the Operation and Maintenance Report and had no questions or comments.

6. Request to close office for staff Christmas luncheon and gift exchange.

Mr. Marez requested approval to close the office for approximately 2½ hours for a staff Christmas luncheon and gift exchange. Mr. Rodgers made a motion to approve closing of the office for the staff Christmas luncheon and gift exchange. Ms. Garza seconded. All voted in favor.

7. Buyout of excess 2025 Vacation and Personal Leave balances.

Mr. Marez explained that currently some staff members have been unable to use available Vacation and Personal Leave hours and may potentially lose some of their hours if not reduced to the allowed balance by year end. He requested that the Board consider buying back the hours in excess of permitted balances or allow for rollover of the excess hours. Mr. Graveley moved to approve buying back the excess leave balances. Mr. Rodriguez seconded the motion and all voted in favor.

8. Request for Proposals for gate valve Assessment.

Mr. Marez stated that after the October 14, 2025 Board meeting, staff issued a Request for Proposals for a gate valve assessment project to evaluate the condition, functionality and accessibility of STWA's transmission line system. At the November 12, 2025 meeting the item was tabled due to the limited number of bids received during the open period. Since then, staff has reviewed the two RFP responses and determined that EGB Construction's proposal was the only one that met the scope and intent of the original bid request.

9. **Resolution 25-34. Resolution awarding the bid for gate valve assessment.**

A motion to adopt Resolution 25-34 awarding the gate valve assessment bid to EGB Construction was made by Mr. J. Morales and seconded by Mr. Rodriguez and passed unanimously.

10. Kleberg County Appraisal District Board of Directors election and casting of votes.

Mr. Marez presented the ballot for casting of votes for the Kleberg County Appraisal District Board of Directors. He said the ballot lists five candidates. The Authority was allotted 119 votes which can be cast for one candidate or distributed among different candidates.

11. **Resolution 25-37. Resolution casting the South Texas Water Authority's votes for election of Kleberg County Appraisal District Board Members.**

Mr. J. Morales made a motion to approve Resolution 25-37 casting STWA's 119 votes for Daniel Morales. Ms. Garza seconded. The motion passed by unanimous vote.

12. TCAP Board of Directors Ballot.

Ms. Wagner presented a ballot for the 2026-2027 TCAP Board of Directors election. The ballot listed fourteen candidates running for seven positions and allows for up to eight votes. Ms. Garza

made a motion to cast one vote for each of the incumbent candidates and a vote for Nicole Ganey of Deer Park. Ms. Rodgers seconded. The motion passed by unanimous vote.

13. Development of Priority List for Texas Water Development Board Funding Projects.

Mr. Marez provided a list of 53 projects included in the 2025 PIF Application. He stated that the Texas Water Development Board (TWDB) selected STWA for an award of approximately \$60,000,000 in funding and the Authority will be required to develop a prioritized list from among the 53 projects and any others that are identified. At least two meetings are anticipated in January and I.C.E. will make a presentation including costs. Ivan Luna from I.C.E. explained that a list of selected projects will need to be submitted to TWDB. Rogelio Rodriguez of Water Finance Exchange explained that under this funding award, STWA can select whatever amount within the limit and suggested asking for the maximum and then reducing the amount if needed. The forgivable portion of funding is 70% of the total or \$10,000,000 whichever is less. He reminded the Board that at this point, they can choose whichever projects they want to pursue and how much funding to pursue. Mr. J. Morales pointed out the importance of selecting projects carefully. Bobby Villarreal, representing Estrada-Hinojosa, said once the Board decides on the projects and the dollar figure, then a decision to go before the voters will be needed. If approved by the voters, the amount can be reduced but cannot exceed the voter approved amount. Mr. Marez noted that at this point the costs are not included because there will be upcoming meetings with more details.

14. Update on Seven Seas Project.

Mr. Kasy Stinson, representing Seven Seas, said that at the last meeting he updated the Board on changes needed on the contract including the 3mgd volume, change in the cost associated with injection wells, relocation of the site and a change in the delivery date. The amended contract has been drafted and sent to STWA's legal counsel for review and discussions are ongoing.

Mr. Graveley called Mr. Andrew Mendez to the podium for a chance to provide public comment. Mr. Mendez said that he cares about the community and is interested in maintaining clean water, honest government and decisions made in daylight.

15. Executive Session Agenda Items - In this executive session the board of Directors will deliberate or receive legal advice regarding (1) each of the following matters pursuant to the Section(s) of the Texas Government Code in parenthesis at the end of such matter, and (2) any other agenda items on today's agenda that the presiding officer of the meeting has announced will be considered in this executive session (collectively, the "Executive Session Agenda Items"). The Board of Directors may take action in open session after the executive session on any of the Executive Session Agenda items. The Board of Directors will deliberate the purchase, exchange, lease or value of real property in executive session only if deliberation in an open meeting would have a detrimental effect on South Texas Water Authority's position in negotiations with a third person.

15.a. Receive legal advice from counsel regarding alternate water sources.

Mr. Graveley announced that the Board would convene in Closed Session at 6:38 p.m. pursuant to Section 551.071 of the Government Code to receive legal advice from counsel regarding an alternate source of water for the Authority.

16. Open Session Items for Post Executive Session Action – The Board of Directors will convene in Open Session and take action on (1) the agenda items listed below, (2) any other items on this agenda that were postponed or tabled until after Executive Session, and (3) any Executive Session Agenda Items.

16.a. Discuss and take action to approve Second Amended and Restated Water Supply Agreement by and between South Texas Water Authority and Seven Seas Water (STWA) USA, LLC.

The Board reconvened in Open Session at 7:31 p.m. No action was taken during Closed Session. Mr. Rodriguez made a motion to table this item. Ms. Garza seconded and all voted in favor.

17. Extension to the City of Corpus Christi Water Contract to provide treated water to South Texas Water Authority.

Mr. Marez reported that on November 18, 2025, the Corpus Christi City Council approved a resolution authorizing a three-year extension to the existing Water Supply Agreement between the City of Corpus Christi and South Texas Water Authority. The extension continues the same terms and conditions of the existing Water Supply Agreement for the period of January 1, 2026 through December 31, 2028. Mr. J. Morales made a motion to authorize execution of the three-year contract extension with the City of Corpus Christi. Mr. Graveley seconded the motion which then passed by unanimous vote.

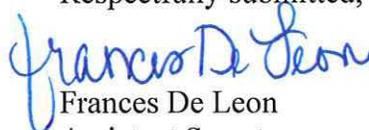
18. Administration Report.
• Future Board Meeting Dates

Mr. Marez informed the Board that he anticipates having a workshop on January 6th, the Regular Board Meeting on January 27th and a special meeting to call an election on February 10th.

19. Adjournment.

With no further business to discuss, Ms. Garza moved to adjourn the meeting at 7:35 p.m. Mr. Rodriguez seconded. The motion carried.

Respectfully submitted,


Frances De Leon
Assistant Secretary

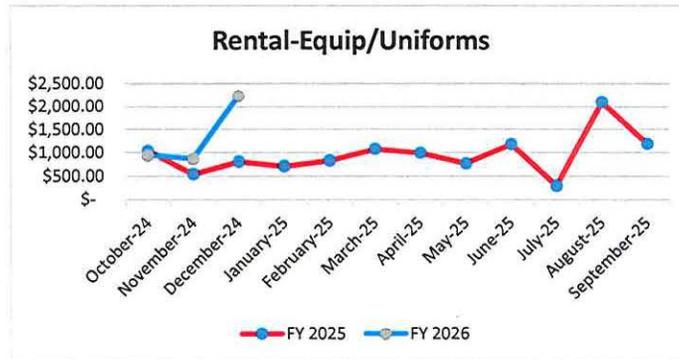
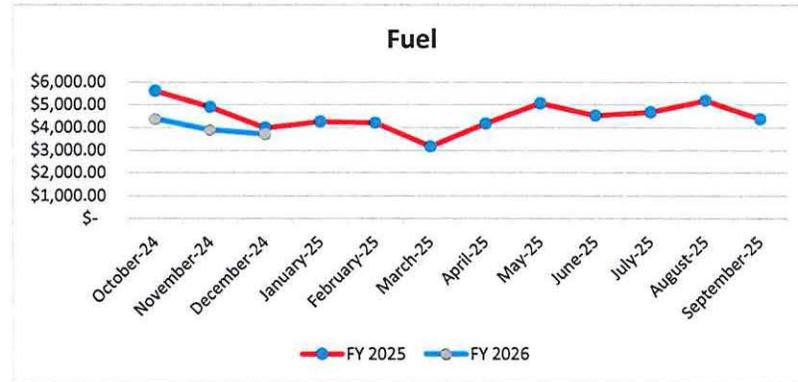
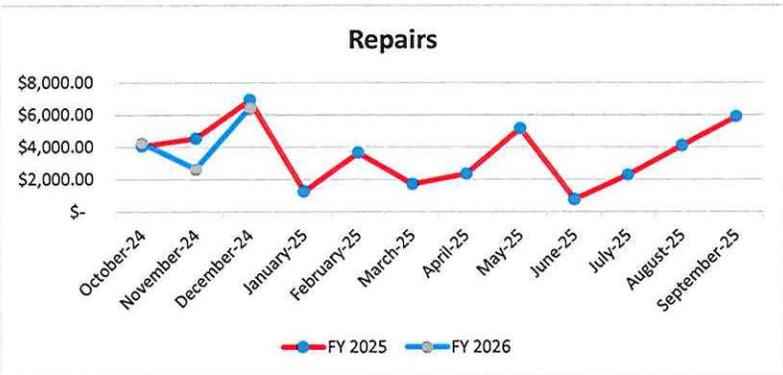
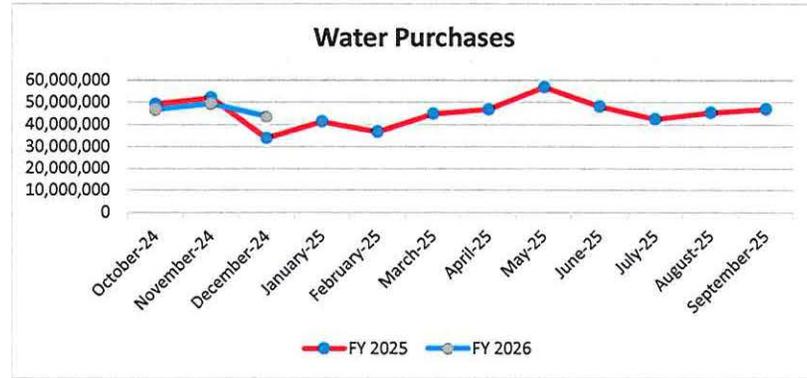
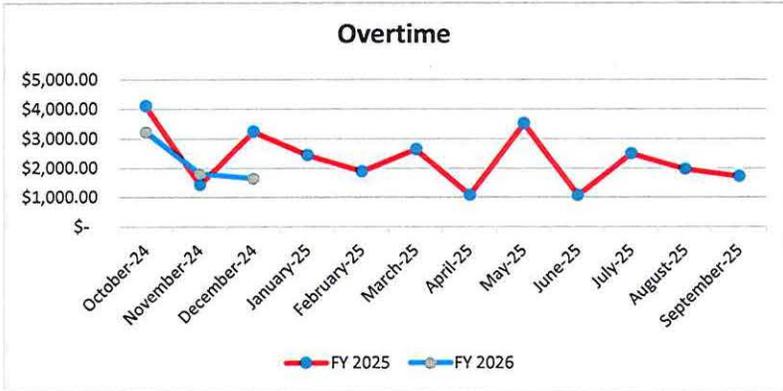
ATTACHMENT 4

Quarterly Report/Treasurer's Report/Payment of Bills

**Financial Statement Analysis
For December 2025
Budget issues/Concerns**

	Budget	Actual	Should Be	Difference	Projected 12 Month
<u>Revenue</u>					
Surcharge Out of District	\$ 12,264.00	\$ 2,224.00	\$ 3,066.00	\$ (842.00)	\$ (2,526.00)
Miscellaneous Revenues	\$ 15,000.00	\$ 2,636.00	\$ 3,750.00	\$ (1,114.00)	\$ (3,342.00)
<u>Expenses</u>					
Bulk Water Purchases	\$ 1,764,065.00	\$ 456,616.00	\$ 441,016.25	\$ 15,599.75	\$ 1,810,864.25
Salaries & Wages - Vacation Buy Back	\$ 6,000.00	\$ 4,863.00	\$ 1,500.00	\$ 3,363.00	\$ 6,000.00
Overtime STWA	\$ 24,000.00	\$ 6,629.00	\$ 6,000.00	\$ 629.00	\$ 25,887.00
Stand By Pay STWA	\$ 1,560.00	\$ 427.00	\$ 390.00	\$ 37.00	\$ 1,671.00
Employee Retirement Premiums	\$ 69,044.00	\$ 17,329.00	\$ 17,261.00	\$ 68.00	\$ 69,248.00
Worker's Compensation	\$ 10,189.00	\$ 15,219.00	\$ 2,547.25	\$ 12,671.75	\$ 15,219.00
Fuel/lubricants/repairs	\$ 70,000.00	\$ 24,189.00	\$ 17,500.00	\$ 6,689.00	\$ 90,067.00
Safety Equipment	\$ 5,000.00	\$ 1,351.00	\$ 1,250.00	\$ 101.00	\$ 5,303.00
D&O Liability	\$ 4,500.00	\$ 1,893.00	\$ 1,125.00	\$ 768.00	\$ 4,500.00
Property Insurance	\$ 63,000.00	\$ 63,756.00	\$ 15,750.00	\$ 48,006.00	\$ 63,756.00
General Liability	\$ 6,000.00	\$ 4,163.00	\$ 1,500.00	\$ 2,663.00	\$ 6,000.00
Auto Insurance	\$ 4,800.00	\$ 5,145.00	\$ 1,200.00	\$ 3,945.00	\$ 5,145.00
Rental-Equipment/Uniforms	\$ 9,500.00	\$ 4,023.00	\$ 2,375.00	\$ 1,648.00	\$ 14,444.00
Miscellaneous Expenditures	\$ 15,000.00	\$ 4,707.00	\$ 3,750.00	\$ 957.00	\$ 17,871.00

4 Concerns are Bulkwater Purchases, Overtime, Fuel/Lubricants/Repairs and Rental-Equipment/Uniforms



**SOUTH TEXAS WATER AUTHORITY
INVESTMENT REPORT
FOR QUARTER ENDED December 31, 2025**

	BEGINNING BOOK VALUE 30-Sep-25	BEGINNING MARKET VALUE 30-Sep-25	TRANSFERS	REVENUES JULY, AUGUST, SEPTEMBER	EXPENSES	INTEREST	ENDING BOOK VALUE 31-Dec-25	ENDING MARKET VALUE 31-Dec-25
CASH ACCOUNTS								
GENERAL ACCT - PROSPERITY BANK	(69,388.05)	(69,388.05)	600,000.00	660,426.69	1,169,538.24	212.56	21,712.96	21,712.96
GENERAL ACCT MONEY MKT. - PROSPERITY	351,037.51	351,037.51	(310,000.00)	0.00	0.00	386.34	41,423.85	41,423.85
GENERAL ACCT TEXPOOL 1371300002	4,729,307.72	4,730,253.58	(600,000.00)	548,799.15	2,465.41	46,874.66	4,722,516.14	4,723,555.09
GENERAL ACCT TEXSTAR 1111-000	160,718.29	160,757.96	0.00	0.00	0.00	1,615.14	162,333.43	162,376.25
PAYROLL ACCT - PROSPERITY BANK	82,806.80	82,806.80	220,000.00	91.43	276,383.69	35.74	26,550.28	26,550.28
OPERATIONS ACCT - PROSPERITY BANK	40,062.48	40,062.48	90,000.00	0.00	68,321.66	31.07	61,771.89	61,771.89
DEBT SERVICE ACCT TEXPOOL 1371300008	167,262.12	167,262.12	0.00	112,084.36	0.00	1,985.90	281,332.38	281,332.38
TOTAL CASH ACCOUNTS	5,461,806.87	5,435,792.62	0.00	1,321,401.63	1,516,709.00	51,141.41	5,317,640.93	5,318,722.70

	AVG. MAT. 12/31/2025	October RATE	October EARNING	November RATE	November EARNING	December RATE	December EARNING	TOTALS
GENERAL ACCT - PROSPERITY BANK	immediate	0.3000%	\$79.97	0.3000%	\$72.42	0.3000%	\$60.17	\$212.56
GENERAL ACCT MONEY MKT. - PROSPERITY	immediate	0.7000%	\$315.61	0.7000%	\$36.20	0.7000%	\$34.53	\$386.34
GENERAL ACCT TEXPOOL 1371300002	35days	4.2500%	\$16,352.08	4.1400%	\$15,204.14	3.8300%	\$15,318.44	\$46,874.66
GENERAL ACCT TEXSTAR 1111-000	41 days	4.1164%	\$561.94	3.9802%	\$527.60	3.8246%	\$525.60	\$1,615.14
PAYROLL ACCT - PROSPERITY BANK	immediate	0.3000%	\$14.49	0.3000%	\$13.24	0.3000%	\$8.01	\$35.74
OPERATIONS ACCT - PROSPERITY BANK	immediate	0.3000%	\$8.38	0.3000%	\$11.91	0.3000%	\$10.78	\$31.07
DEBT SERVICE ACCT TEXPOOL 1371300008	35days	4.2500%	\$598.78	4.1400%	\$644.89	3.8300%	\$742.23	\$1,985.90
TOTALS			17,931.25		16,510.40		16,699.76	51,141.41

THIS REPORT IS IN COMPLIANCE WITH THE STRATEGIES AS APPROVED AND THE PUBLIC FUNDS INVESTMENT ACT.


INVESTMENT OFFICER

INVESTMENT OFFICER

SOUTH TEXAS WATER AUTHORITY
Cash Report
For the Accounting Period: 12/25

Fund/Account	Beginning Balance	Received	Transfers In	Disbursed	Transfers Out	Ending Balance
101 Water						
10100 STWA - Operations	32,752.93	50,010.78	136.72	0.00	21,128.54	61,771.89
10200 STWA - General	235,427.08	442,131.97	0.00	183,847.20	471,998.89	21,712.96
10210 STWA - General Money Market	41,389.32	34.53	0.00	0.00	0.00	41,423.85
10400 STWA - Payroll	8,707.68	100,008.01	0.00	0.00	82,165.41	26,550.28
10800 Petty Cash	150.00	0.00	0.00	0.00	0.00	150.00
11300 TexPool	4,697,503.83	375,012.31	0.00	350,000.00	0.00	4,722,516.14
Total Fund	5,015,930.84	967,197.60	136.72	533,847.20	575,292.84	4,874,125.12
310 Debt Service						
11300 TexPool	206,876.28	74,456.10	0.00	0.00	0.00	281,332.38
410 Capital Projects						
11400 TexStar	161,807.83	525.60	0.00	0.00	0.00	162,333.43
910 Payroll Clearing						
10400 STWA - Payroll	0.00	0.00	84,292.19	84,292.19	0.00	0.00
930 Claims Clearing						
10100 STWA - Operations	7,424.48	0.00	20,991.82	0.00	0.00	28,416.30
10200 STWA - General	23,816.55	0.00	471,998.89	0.00	0.00	495,815.44
Total Fund	31,241.03		492,990.71			524,231.74
Totals	5,415,855.98	1,042,179.30	577,419.62	618,139.39	575,292.84	5,842,022.67

*** Transfers In and Transfers Out columns should match, with the following exceptions:

- 1) Cancelled electronic checks increase the Transfers In column. Disbursed column will be overstated by the same amount and will not balance to the Redeemed Checks List.
- 2) Payroll Journal Vouchers including local deductions with receipt accounting will reduce the Transfers Out column by the total amount of these checks.

**REVENUE FUND
INCOME STATEMENT
FOR PERIOD ENDING OCTOBER 31, 2025**

Corrected

8.33%

	MONTHLY	YEAR TO DATE WITH THIS MONTH	2026 ADOPTED BUDGET	% OF 2026 ADOPTED BUDGET	2025 YEAR TO DATE	2025 Final BUDGET
REVENUES						
Water Service Revenue	\$152,417	\$152,417	\$1,764,065	9%	\$137,930	\$1,700,677
Handling Charge Revenue	\$27,886	\$27,886	\$330,133	8%	\$24,476	\$269,400
Premium Incremental Increase	\$1,175	\$1,175	\$13,030	9%	\$931	\$10,100
Surcharge - Out of District	\$741	\$741	\$12,264	6%	\$895	\$10,205
Interest Income	\$16,771	\$16,771	\$165,000	10%	\$19,657	\$216,150
Interest - Note	\$0	\$0	\$0		\$0	\$0
Other Revenue						
Operating & Maintenance Fees	\$61,382	\$617	\$7,850	8%	\$672	\$8,250
Miscellaneous Revenues	\$0	\$0	\$15,000	0%	\$1,109	\$134,500
Industry Revenues	\$0	\$0	\$0		\$0	\$659,941
Sub-Account NWSC	\$47,123	\$47,123	\$0		\$0	\$0
Sub-Account RWSC	\$83,635	\$83,635	\$0		\$0	\$0
TOTAL REVENUES	\$391,130	\$330,365	\$2,307,342	14%	\$185,670	\$3,009,223
EXPENDITURES						
Water Service Expenditures:						
Bulk Water Purchases	\$157,378	\$157,378	\$1,764,065	9%	\$141,759	\$1,700,677
Payroll Costs						
Salaries & Wages - Perm. Employees	\$68,158	\$4,159	\$433,907	1%	\$33,561	\$636,200
Salaries & Wages - Vacation Buyback	\$4,863	\$4,863	\$6,000	81%	\$4,904	\$5,850
Overtime - NWSC	\$4,654	\$0	\$0	0%	\$0	\$0
Stand-by Pay - NWSC	\$180	\$0	\$0	0%	\$0	\$0
Overtime - RWSC	\$2,717	\$0	\$0	0%	\$0	\$0
Stand-by Pay - RWSC	\$180	\$0	\$0	0%	\$0	\$0
Overtime - STWA	\$3,218	\$3,218	\$24,000	13%	\$4,087	\$30,000
Stand-by Pay - STWA	\$187	\$187	\$1,560	12%	\$170	\$1,620
Employee Retirement Premiums	\$12,111	\$4,471	\$69,044	6%	\$7,206	\$129,072
Group Insurance Premium	\$702	-\$193	\$270,401	0%	\$21,581	\$526,690
Unemployment Compensation	\$11	-\$489	\$515	-95%	\$91	\$1,769
Workers' Compensation	\$17,864	\$16,677	\$10,189	164%	\$16,567	\$16,780
Medicare	\$1,533	\$493	\$5,994	8%	\$904	\$14,034
Supplies & Materials						
Repairs & Maintenance	\$4,953	\$4,953	\$125,000	4%	\$6,016	\$125,000
Meter Expense	\$0	\$0	\$5,000	0%	\$0	\$1,200
Tank Repairs	\$0	\$0	\$35,000	0%	\$0	\$10,000
Major Repairs	\$0	\$0	\$25,000	0%	\$127,485	\$135,000
Other Operating Expenditures:						
Professional Fees						
Legal	\$7,854	\$7,854	\$125,000	6%	\$6,349	\$175,000
Auditing	\$0	\$0	\$12,200	0%	\$725	\$12,570
Engineering	\$14,149	\$14,149	\$250,000	6%	\$0	\$420,000
Management & Consulting	\$0	\$0	\$80,000	0%	\$7,650	\$82,000
JMAR Management Consulting LLC	\$8,333	\$5,833	\$70,000	8%	\$5,833	\$100,000
Inspection/GIS Mapping	\$0	\$0	\$7,500	0%	\$0	\$2,000
Consum Supplies/Materials						
Postage	\$0	-\$51	\$8,500	-1%	-\$62	\$4,999
Printing/Office Supplies	\$3,953	\$3,690	\$37,500	10%	\$2,122	\$42,445
Janitorial/Site Maintenance	\$1,024	\$1,024	\$22,500	5%	\$1,494	\$22,700

Fuel/Lubricants/Repairs	\$8,596	\$8,247	\$70,000	12%	\$5,022	\$117,290
Chemicals/Water Samples	\$3,075	\$3,075	\$45,000	7%	\$2,033	\$39,500
Safety Equipment	\$458	\$458	\$5,000	9%	\$595	\$6,500
Small Tools	\$55	\$55	\$3,000	2%	\$70	\$3,500
Recurring Operating Costs						
Telephone/Communications	\$3,229	\$2,350	\$40,000	6%	\$2,165	\$36,940
Utilities	\$8,675	\$8,675	\$112,500	8%	\$9,504	\$105,000
D & O Liability Insurance	\$1,893	\$1,893	\$4,500	42%	\$1,942	\$3,750
Property Insurance	\$63,756	\$63,756	\$63,000	101%	\$61,492	\$61,600
General Liability	\$4,108	\$4,108	\$6,000	68%	\$3,446	\$4,446
Auto Insurance	\$5,145	\$5,145	\$4,800	107%	\$4,718	\$4,718
Travel/Training/Meetings-Staff	\$2,060	\$2,060	\$20,000	10%	\$4,289	\$22,500
Travel/Training/Meetings-Board of Dir.	\$700	\$700	\$10,000	7%	\$300	\$6,000
Travel/Training/Meetings-Legislation	\$0	\$0	\$2,000	0%	\$0	\$0
Rental-Equipment/Uniforms	\$933	\$933	\$9,500	10%	\$1,034	\$12,000
Dues/Subscriptions/Publication	\$391	\$391	\$19,000	2%	\$216	\$20,000
Pass Through Cost	\$0	\$0	\$250	0%	\$0	\$50
Bad Debt Expense	\$0	\$0	\$0	0%	\$0	\$0
Payment to Sub-Account NWSC	\$2,827	\$2,827	\$0	0%	\$0	\$0
Payment to Sub-Account RWSC	\$5,018	\$5,018	\$0	0%	\$0	\$0
Miscellaneous				0%		
Miscellaneous Expenditures	\$702	\$702	\$15,000	5%	\$139	\$15,000
Total Administrative & Operations Exp.	\$425,642	\$338,609	\$3,818,425	9%	\$485,407	\$4,654,400
Capital Outlay						
Capital Acquisition	\$27,372	\$27,372	\$384,974	7%	\$1,068	\$225,000
Cathodic Protection	\$0.00	\$0.00	\$590,500	0%	\$0	\$0
Total Expenditures Capital Outlay	\$27,372	\$27,372	\$975,474	3%	\$1,068	\$225,000
TOTAL EXPENDITURES	\$453,014	\$365,981	\$4,793,899	8%	\$486,475	\$4,879,400
Excess (Deficiencies) of Revenue Over Expenditures	-\$61,884	-\$35,616	-\$2,486,557		-\$300,805	-\$1,870,177
OTHER FINANCE SOURCE (USES)						
Transfer to Other Funds						
Transfer from Tax Account	-	0	\$1,668,498	0%	\$0	\$1,630,025
Extra Ordinary Income						
Disposition of Assets (Surplus Sale)	-	0	\$5,000	0%	\$0	\$3,500
TOTAL OTHER FINANCING SOURCES (USES)	\$0	\$0	\$1,673,498	0%	\$0	\$1,633,525
EXCESS (DEFICIENCIES) OF REVENUES OVER OTHER SOURCES (USES)	-\$61,884	-\$35,616	-\$813,059		-\$300,805	-\$236,652
NET INCOME	-\$61,884	-\$35,616	-\$813,059		-\$300,805	-\$236,652

101 Water

		Opening Balance	Change	Closing Balance
Assets				
101. 10100	STWA - Operations	40,062.48 (	23,812.45)	16,250.03
101. 10200	STWA - General	(69,388.05)	448,928.78	379,540.73
101. 10210	STWA - General Money Market	351,037.51 (	309,684.39)	41,353.12
101. 10400	STWA - Payroll	82,806.80 (	58,714.82)	24,091.98
101. 10800	Petty Cash	150.00		150.00
101. 11300	TexPool	4,729,307.74 (	187,411.66)	4,541,896.08
101. 12100	Tax Accounts Receivable	211,473.78		211,473.78
101. 12101	Allowance for Uncollect Taxes	(88,575.35)		(88,575.35)
101. 12102	Allowance for doubtful Accounts	(12,483.96)		(12,483.96)
101. 12120	Interlocal Rec - Tax Assessor	1,320.27	64,895.38	66,215.65
101. 12201	Agua Dulce-Water	17,679.24 (	611.81)	17,067.43
101. 12202	Bishop - Water	27,429.60	25,883.30	53,312.90
101. 12203	Driscoll - Water	47,989.22	8,542.42	56,531.64
101. 12204	Kingsville - Water	33,448.38 (	8,465.01)	24,983.37
101. 12205	NCWCID 5 - Water	43,165.51	667.26	43,832.77
101. 12206	Ricardo WSC - Water	32,458.53 (	13,838.03)	18,620.50
101. 12207	Nueces WSC - Water	60,033.43	6,735.31	66,768.74
101. 12208	Ricardo WSC - General & Admin	19,110.46	19,042.50	38,152.96
101. 12209	Nueces WSC - General & Admin	18,849.64	169.06	19,018.70
101. 12500	Interlocal Rec-Bishop	(0.03)		(0.03)
101. 12700	Interlocal Rec-Driscoll	3,556.62	617.22	4,173.84
101. 12900	Interlocal Rec-Ricardo	11,965.46 (	5,134.80)	6,830.66
101. 12901	RWSC-Credit Card	801.16		801.16
101. 13000	Interlocal Rec-Nueces	23,168.57 (	7,295.16)	15,873.41
101. 13001	NWSC Credit Card	1,329.60	941.69	2,271.29
101. 13510	Due From Capital Projects Fund	450,096.20	2,159.66	452,255.86
101. 13520	Due from Debt Service Fund	4,170.76		4,170.76
101. 13530	Due from D.S .-Collect Service	16,505.60		16,505.60
101. 13900	Notes Receivable - Current	152.47		152.47
101. 14200	Prepaid Expenses	38,343.28		38,343.28
101. 15500	Inventory	42,276.74		42,276.74
Total Assets		6,138,241.66 (	36,385.55)	6,101,856.11
Liabilities and Fund Equity				
101. 20300	Trade Accounts Payable	591,592.49 (	64,307.76)	527,284.73
101. 20310	Conversion Trade Accounts Payable	333.16		333.16
101. 20400	Salaries & Wages Payable	29,574.72 (	23,160.16)	6,414.56

02/03/26
10:51:15

SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
For the Accounting Period: 10 / 25

Page: 2 of 4
Report ID: LB200

101 Water

	Opening Balance	Change	Closing Balance
101. 21051	150.77		150.77
101. 21052	665.32		665.32
101. 21062	9,949.26		9,949.26
101. 21063	(671.10)		(671.10)
101. 21064	(20,947.09)	(487.80)	(21,434.89)
101. 21065	(120.94)	813.01	692.07
101. 21066	(439.22)		(439.22)
101. 21067	200.00		200.00
101. 21068	(539.46)		(539.46)
101. 21069	3,053.64	(40.58)	3,013.06
101. 21100	33,235.68	1,399.16	34,634.84
101. 21500	13,824.65		13,824.65
101. 21700	122,898.43		122,898.43
101. 24100	4,557.52	151.74	4,709.26
101. 28400	5,309,177.18		5,309,177.18
101. 28410	41,746.65		41,746.65
101. 28999		49,246.84	49,246.84

Total Liabilities and Fund Equity	6,138,241.66 (36,385.55)	6,101,856.11
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Revenue

101. 41100	Tax Revenue	106,308.20	106,308.20
101. 41120	Delinquent Tax Revenue	3,631.73	3,631.73
101. 41150	Penalties & Interest - Tax	1,192.49	1,192.49
101. 41950	Miscellaneous - Taxes	(0.78)	(0.78)
101. 44100	Water Service Revenue	152,416.70	152,416.70
101. 44210	Handling Charge Revenue	27,886.27	27,886.27
101. 44230	Premium Incremental Increase	1,174.73	1,174.73
101. 44240	Surcharge - Out-of-District	741.43	741.43
101. 44600	Operations & Maint Fees	61,382.49	61,382.49
101. 47100	Interest income	16,770.53	16,770.53
101. 48200	SUB-ACCOUNT NWSC	47,122.50	47,122.50
101. 48300	SUB-ACCOUNT RWSC	83,635.00	83,635.00

Total Revenue	502,261.29	502,261.29
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SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
For the Accounting Period: 10 / 25

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Report ID: LB200

101 Water

		Opening Balance	Change	Closing Balance
Expenditures				
101.601000.50200	Purchased water		157,378.02	157,378.02
101.601000.51100	Salaries/Wages		45,911.34	45,911.34
101.601000.51120	Overtime		3,218.21	3,218.21
101.601000.51130	Stand-by		186.77	186.77
101.601000.51160	Vacation Buyback		4,863.38	4,863.38
101.601000.51200	Employee Retirement		12,110.87	12,110.87
101.601000.51201	Group Ins - Health	(	532.90)	(532.90)
101.601000.51202	Group Ins - Life		631.50	631.50
101.601000.51203	Group Ins - Dental		603.46	603.46
101.601000.51300	Unemployment Ins		10.53	10.53
101.601000.51400	Workers Compensation		17,864.00	17,864.00
101.601000.51700	Medicare		1,533.31	1,533.31
101.601000.52120	Printing/Office Supplies		3,952.58	3,952.58
101.601000.52130	Janitorial/Site Maint		1,023.94	1,023.94
101.601000.52160	Small Tools		55.18	55.18
101.601000.52380	Safety Equipment		458.28	458.28
101.601000.53110	Legal		7,853.50	7,853.50
101.601000.53130	Engineering		14,149.25	14,149.25
101.601000.53140	Management & Consulting		8,333.33	8,333.33
101.601000.54110	General Repairs & Maintenance		4,953.36	4,953.36
101.601000.54140	Fuel/Lubricants/Repairs		8,596.47	8,596.47
101.601000.54150	Chemicals/Water Samples		3,074.75	3,074.75
101.601000.55110	Telephone/Communications		3,228.51	3,228.51
101.601000.55120	Utilities		8,674.95	8,674.95
101.601000.55130	D & O Liability Insurance		1,893.00	1,893.00
101.601000.55140	Property Insurance		63,755.82	63,755.82
101.601000.55150	General Liability Ins		4,108.00	4,108.00
101.601000.55160	Auto Insurance		5,145.00	5,145.00
101.601000.55180	Travel/Training/Meetings		2,759.70	2,759.70
101.601000.55610	Rental-Equip/Uniforms		933.30	933.30
101.601000.55620	Dues/Subscriptions/Advert		391.31	391.31
101.601000.58200	PAYMENT TO SUB-ACCOUNT NWSC		2,827.35	2,827.35
101.601000.58300	PAYMENT TO SUB-ACCOUNT RWSC		5,018.10	5,018.10
101.601000.58790	Misc Expenditures		701.92	701.92
101.601000.59600	Capital Acquisition		27,371.72	27,371.72
	Total STWA		423,037.81	423,037.81
101.601200.51100	Salaries/Wages		12,989.02	12,989.02
101.601200.51120	Overtime		4,653.83	4,653.83
101.601200.51130	Stand-by		180.00	180.00
	Total NWSC		17,822.85	17,822.85
101.601300.51100	Salaries/Wages		9,257.29	9,257.29
101.601300.51120	Overtime		2,716.50	2,716.50

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SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
For the Accounting Period: 10 / 25

Page: 4 of 4
Report ID: LB200

101 Water

		Opening Balance	Change	Closing Balance
101.601300.51130	Stand-by		180.00	180.00
	Total RWSC		12,153.79	12,153.79
		Total Expenditures	453,014.45	453,014.45

Combined Funds

Account Object	Description	----- Current Year -----				----- Last Year -----	
		Current Month	Current YTD	Budget	Variance	Prior Year Month	Prior Year YTD
Revenue							
41100	Tax Revenue	128,064.81	128,064.81	1,984,701.00	-1,856,636.19	142,905.64	142,905.64
41120	Delinquent Tax Revenue	4,407.80	4,407.80	49,500.00	-45,092.20	4,845.25	4,845.25
41150	Penalties & Interest - Tax	1,452.82	1,452.82	34,700.00	-33,247.18	1,838.82	1,838.82
41950	Miscellaneous - Taxes	-0.78	-0.78		-0.78	-1.56	-1.56
44100	Water Service Revenue	152,416.70	152,416.70	1,745,727.00	-1,593,310.30	137,930.12	137,930.12
44210	Handling Charge Revenue	27,886.27	27,886.27	313,248.00	-285,361.73	24,475.55	24,475.55
44230	Premium Incremental	1,174.73	1,174.73	12,500.00	-11,325.27	930.77	930.77
44240	Surcharge - Out-of-District	893.17	893.17	14,064.00	-13,170.83	1,071.99	1,071.99
44600	Operations & Maint Fees	61,382.49	61,382.49	7,850.00	53,532.49	60,973.49	60,973.49
46000	MISCELLANEOUS REVENUE			15,000.00	-15,000.00	1,108.94	1,108.94
47100	Interest income	17,931.25	17,931.25	175,000.00	-157,068.75	20,867.59	20,867.59
	Total	395,609.26	395,609.26	4,352,290.00	-3,956,680.74	396,946.60	396,946.60
Expenses							
601000	STWA						
50200	Purchased water	157,378.02	157,378.02	1,745,727.00	1,588,348.98	141,759.12	141,759.12
51100	Salaries/Wages	45,911.34	45,911.34	433,906.00	387,994.66	41,350.75	41,350.75
51120	Overtime	3,218.21	3,218.21	24,000.00	20,781.79	4,086.84	4,086.84
51130	Stand-by	186.77	186.77	1,560.00	1,373.23	170.00	170.00
51160	Vacation Buyback	4,863.38	4,863.38	6,000.00	1,136.62	4,903.60	4,903.60
51200	Employee Retirement	12,110.87	12,110.87	69,044.00	56,933.13	12,113.95	12,113.95
51201	Group Ins - Health	-532.90	-532.90	249,471.00	250,003.90	38,997.40	38,997.40
51202	Group Ins - Life	631.50	631.50	9,415.00	8,783.50	607.59	607.59
51203	Group Ins - Dental	603.46	603.46	11,515.00	10,911.54	492.50	492.50
51300	Unemployment Ins	10.53	10.53	515.00	504.47	131.86	131.86
51400	Workers Compensation	17,864.00	17,864.00	10,189.00	-7,675.00	17,315.65	17,315.65
51700	Medicare	1,533.31	1,533.31	5,994.00	4,460.69	1,516.46	1,516.46
52110	Postage			8,500.00	8,500.00		
52120	Printing/Office Supplies	3,952.58	3,952.58	37,500.00	33,547.42	3,003.09	3,003.09
52130	Janitorial/Site Maint	1,023.94	1,023.94	22,500.00	21,476.06	1,494.14	1,494.14
52160	Small Tools	55.18	55.18	3,000.00	2,944.82	69.51	69.51
52380	Safety Equipment	458.28	458.28	5,000.00	4,541.72	594.98	594.98
53110	Legal	7,853.50	7,853.50	125,000.00	117,146.50	6,348.50	6,348.50
53120	Auditing			12,200.00	12,200.00	725.00	725.00
53130	Engineering	14,149.25	14,149.25	250,000.00	235,850.75		
53140	Management & Consulting	8,333.33	8,333.33	150,000.00	141,666.67	15,983.33	15,983.33
53210	Inspection Services			7,500.00	7,500.00		
53260	Tax Collector Fees			71,042.00	71,042.00		
53270	Appraisal District Fees			33,730.00	33,730.00		
54110	General Repairs &	4,953.36	4,953.36	125,000.00	120,046.64	6,003.59	6,003.59
54111	General R&M - Central Tank					127,484.51	127,484.51
54140	Fuel/Lubricants/Repairs	8,596.47	8,596.47	70,000.00	61,403.53	9,646.04	9,646.04
54150	Chemicals/Water Samples	3,074.75	3,074.75	45,000.00	41,925.25	2,032.81	2,032.81

Combined Funds

Account Object	Description	----- Current Year -----				----- Last Year -----	
		Current Month	Current YTD	Budget	Variance	Prior Year Month	Prior Year YTD
54250	Meter Expense			5,000.00	5,000.00		
54260	Tank Repairs			35,000.00	35,000.00		
54291	Major Repairs			125,000.00	125,000.00		
54720	Cathodic Protect Materials			590,500.00	590,500.00		
55110	Telephone/Communications	3,228.51	3,228.51	40,000.00	36,771.49	2,606.82	2,606.82
55120	Utilities	8,674.95	8,674.95	112,500.00	103,825.05	9,503.98	9,503.98
55130	D & O Liability Insurance	1,893.00	1,893.00	4,500.00	2,607.00	1,942.36	1,942.36
55140	Property Insurance	63,755.82	63,755.82	63,000.00	-755.82	61,492.06	61,492.06
55150	General Liability Ins	4,108.00	4,108.00	6,000.00	1,892.00	3,446.05	3,446.05
55160	Auto Insurance	5,145.00	5,145.00	4,800.00	-345.00	4,717.72	4,717.72
55180	Travel/Training/Meetings	2,759.70	2,759.70	32,000.00	29,240.30	4,588.75	4,588.75
55610	Rental-Equip/Uniforms	933.30	933.30	9,500.00	8,566.70	1,033.62	1,033.62
55620	Dues/Subscriptions/Advert	391.31	391.31	19,000.00	18,608.69	215.97	215.97
58130	Pass Through Costs			250.00	250.00		
58200	PAYMENT TO SUB-ACCOUNT NWSC	2,827.35	2,827.35		-2,827.35		
58300	PAYMENT TO SUB-ACCOUNT RWSC	5,018.10	5,018.10		-5,018.10		
58790	Misc Expenditures	701.92	701.92	15,000.00	14,298.08	138.97	138.97
59600	Capital Acquisition	27,371.72	27,371.72	384,974.00	357,602.28	1,068.09	1,068.09
	Total Account	423,037.81	423,037.81	4,980,332.00	4,557,294.19	527,585.61	527,585.61
601200	NWSC						
51100	Salaries/Wages	12,989.02	12,989.02		-12,989.02	14,600.63	14,600.63
51120	Overtime	4,653.83	4,653.83		-4,653.83	5,902.50	5,902.50
51130	Stand-by	180.00	180.00		-180.00	170.00	170.00
	Total Account	17,822.85	17,822.85		-17,822.85	20,673.13	20,673.13
601300	RWSC						
51100	Salaries/Wages	9,257.29	9,257.29		-9,257.29	10,099.90	10,099.90
51120	Overtime	2,716.50	2,716.50		-2,716.50	3,511.98	3,511.98
51130	Stand-by	180.00	180.00		-180.00	170.00	170.00
	Total Account	12,153.79	12,153.79		-12,153.79	13,781.88	13,781.88
603000	Debt Services						
53260	Tax Collector Fees			14,550.00	14,550.00		
53270	Appraisal District Fees			6,910.00	6,910.00		
56110	Bond Principal			270,000.00	270,000.00		
56120	Bond Interest Expense			78,550.00	78,550.00		
56130	Fiscal Agent's Fees			200.00	200.00		
	Total Account			370,210.00	370,210.00		
609010	Capital Projects						
51100	Salaries/Wages	2,159.66	2,159.66		-2,159.66	6,049.15	6,049.15
54720	Cathodic Protect Materials					30,220.27	30,220.27
	Total Account	2,159.66	2,159.66		-2,159.66	36,269.42	36,269.42
	Total	455,174.11	455,174.11	5,350,542.00	4,895,367.89	598,310.04	598,310.04

02/03/26

SOUTH TEXAS WATER AUTHORITY

10:52:12

Income Statement - Comparison to Prior Year
For the Accounting Period: 10 / 25

Combined Funds

Account Object	Description	----- Current Year -----				----- Last Year -----	
		Current Month	Current YTD	Budget	Variance	Prior Year Month	Prior Year YTD
	Net Income from Operations	-59,564.85	-59,564.85			-201,363.44	-201,363.44
	Other Revenue						
48120	Sale of Assets			15,000.00	-15,000.00		
48200	SUB-ACCOUNT NWSC	47,122.50	47,122.50		47,122.50		
48300	SUB-ACCOUNT RWSC	83,635.00	83,635.00		83,635.00		
	Total Other	130,757.50	130,757.50	15,000.00	115,757.50	0.00	0.00
	Net Income	71,192.65	71,192.65			-201,363.44	-201,363.44

SOUTH TEXAS WATER AUTHORITY
Treasurer's Report
For Period Ending November 30, 2025

STWA Water Sales:

<u>Entity</u>	<u>Water Usage (1,000 g)</u>	<u>Cost of Water from City of Corpus Christi \$3.279609 per 1000 g</u>	<u>Handling Charge @ \$0.60/1000g</u>	<u>Incremental Increase @ \$0.60/1000g</u>	<u>Out of District Surcharge and Pass-Thru Credit</u>	<u>Total Due</u>
Kingsville	13,158	\$43,153.84	\$7,894.94	\$0.00	\$0.00	\$51,048.78
Bishop	6,247	\$20,487.72	\$3,748.20	\$0.00	\$0.00	\$24,235.92
Agua Dulce	2,295	\$7,526.50	\$1,376.96	\$0.00	\$0.00	\$8,903.46
RWSC	8,401	\$27,552.00	\$5,040.60	\$0.00	\$0.00	\$32,592.60
Driscoll	1,998	\$6,552.66	\$1,198.80	\$0.00	\$0.00	\$7,751.46
NCWCID #5	1,819	\$5,963.98	\$1,091.10	\$1,091.10	\$893.17	\$9,039.35
NWSC	15,197	\$49,839.55	\$9,118.08	\$0.00	\$0.00	\$58,957.62
TOTAL	49,114	\$161,076.23	\$29,468.68	\$1,091.10	\$893.17	\$192,529.18

Water Cost and Usage for Period of:

11/03/25

12/02/25

City of Corpus Christi Invoice for Cost of Water Purchased:	\$156,699.72
Gallons of Water Recorded by City of Corpus Christi:	47,780,000
Gallons of Water Recorded by STWA from Customer's Master Meters:	49,114,461
Water Loss Percentage:	<u><u>-2.79%</u></u>

Annual Usage for FY26

Gallons of Water Recorded by City of Corpus Christi:	95,770,000
Gallons of Water Recorded by STWA from Customer's Master Meters:	95,590,461
Water Loss Percentage: (year to date)	<u><u>0.19%</u></u>

Combined Funds

Account Object	Description	----- Current Year -----				----- Last Year -----	
		Current Month	Current YTD	Budget	Variance	Prior Year Month	Prior Year YTD
Revenue							
41100	Tax Revenue	107,246.03	235,310.84	1,984,701.00	-1,749,390.16	78,323.19	221,228.83
41120	Delinquent Tax Revenue	4,082.06	8,489.86	49,500.00	-41,010.14	5,199.18	10,044.43
41150	Penalties & Interest - Tax	1,859.43	3,312.25	34,700.00	-31,387.75	1,430.23	3,269.05
41950	Miscellaneous - Taxes	-2.79	-3.57		-3.57	-3.49	-5.05
44100	Water Service Revenue	161,076.24	313,492.94	1,745,727.00	-1,432,234.06	140,988.61	278,918.73
44210	Handling Charge Revenue	29,468.68	57,354.95	313,248.00	-255,893.05	25,048.14	49,523.69
44230	Premium Incremental	1,091.10	2,265.83	12,500.00	-10,234.17		930.77
44240	Surcharge - Out-of-District	893.17	1,786.34	14,064.00	-12,277.66		1,071.99
44600	Operations & Maint Fees	55,331.46	116,713.95	7,850.00	108,863.95	55,519.21	116,492.70
46000	MISCELLANEOUS REVENUE	369.78	369.78	15,000.00	-14,630.22	475.57	1,584.51
47100	Interest income	16,510.40	34,441.65	175,000.00	-140,558.35	19,616.29	40,483.88
47110	Interest-Note					165.36	165.36
	Total	377,925.56	773,534.82	4,352,290.00	-3,578,755.18	326,762.29	723,708.89
Expenses							
601000	STWA						
50200	Purchased water	156,699.72	314,077.74	1,745,727.00	1,431,649.26	150,342.72	292,101.84
51100	Salaries/Wages	46,380.20	92,291.54	433,906.00	341,614.46	42,307.31	83,658.06
51120	Overtime	1,782.59	5,000.80	24,000.00	18,999.20	1,411.28	5,498.12
51130	Stand-by	120.00	306.77	1,560.00	1,253.23	120.00	290.00
51160	Vacation Buyback		4,863.38	6,000.00	1,136.62		4,903.60
51200	Employee Retirement	7,664.27	19,775.14	69,044.00	49,268.86	6,990.15	19,104.10
51201	Group Ins - Health	45,460.08	44,927.18	249,471.00	204,543.82	30,695.68	69,693.08
51202	Group Ins - Life	659.90	1,291.40	9,415.00	8,123.60	646.79	1,254.38
51203	Group Ins - Dental	656.80	1,260.26	11,515.00	10,254.74	579.26	1,071.76
51300	Unemployment Ins		10.53	515.00	504.47		131.86
51400	Workers Compensation		17,864.00	10,189.00	-7,675.00	-124.17	17,191.48
51700	Medicare	971.84	2,505.15	5,994.00	3,488.85	887.87	2,404.33
52110	Postage		8,500.00	8,500.00	8,500.00	49.40	49.40
52120	Printing/Office Supplies	1,920.06	5,872.64	37,500.00	31,627.36	4,742.49	7,745.58
52130	Janitorial/Site Maint	1,303.91	2,327.85	22,500.00	20,172.15	1,211.62	2,705.76
52160	Small Tools	312.55	367.73	3,000.00	2,632.27	57.09	126.60
52380	Safety Equipment	797.80	1,256.08	5,000.00	3,743.92	420.00	1,014.98
53110	Legal	3,083.50	10,937.00	125,000.00	114,063.00	1,624.25	7,972.75
53120	Auditing	1,650.00	1,650.00	12,200.00	10,550.00	3,195.00	3,920.00
53130	Engineering	8,960.50	23,109.75	250,000.00	226,890.25		
53140	Management & Consulting	8,333.33	16,666.66	150,000.00	133,333.34	20,963.33	36,946.66
53210	Inspection Services			7,500.00	7,500.00		
53260	Tax Collector Fees	29,083.97	29,083.97	71,042.00	41,958.03	28,815.45	28,815.45
53270	Appraisal District Fees	2,401.52	2,401.52	33,730.00	31,328.48		
54110	General Repairs &	2,150.96	7,104.32	125,000.00	117,895.68	4,019.21	10,022.80
54111	General R&M - Central Tank					2,441.16	129,925.67
54140	Fuel/Lubricants/Repairs	6,486.49	15,082.96	70,000.00	54,917.04	9,399.93	19,045.97

Combined Funds

Account Object	Description	----- Current Year -----				----- Last Year -----	
		Current Month	Current YTD	Budget	Variance	Prior Year Month	Prior Year YTD
54150	Chemicals/Water Samples	407.00	3,481.75	45,000.00	41,518.25	85.00	2,117.81
54250	Meter Expense			5,000.00	5,000.00		
54260	Tank Repairs			35,000.00	35,000.00		
54291	Major Repairs			125,000.00	125,000.00		
54720	Cathodic Protect Materials			590,500.00	590,500.00		
55110	Telephone/Communications	3,292.84	6,521.35	40,000.00	33,478.65	3,001.71	5,608.53
55120	Utilities	7,910.82	16,585.77	112,500.00	95,914.23	7,977.23	17,481.21
55130	D & O Liability Insurance		1,893.00	4,500.00	2,607.00		1,942.36
55140	Property Insurance		63,755.82	63,000.00	-755.82		61,492.06
55150	General Liability Ins	55.25	4,163.25	6,000.00	1,836.75		3,446.05
55160	Auto Insurance		5,145.00	4,800.00	-345.00		4,717.72
55180	Travel/Training/Meetings	1,886.36	4,646.06	32,000.00	27,353.94	303.75	4,892.50
55610	Rental-Equip/Uniforms	859.68	1,792.98	9,500.00	7,707.02	538.09	1,571.71
55620	Dues/Subscriptions/Advert	896.31	1,287.62	19,000.00	17,712.38	770.62	986.59
58130	Pass Through Costs			250.00	250.00		
58200	PAYMENT TO SUB-ACCOUNT NWSC	11,309.45	14,136.80		-14,136.80		
58300	PAYMENT TO SUB-ACCOUNT RWSC	20,072.35	25,090.45		-25,090.45		
58790	Misc Expenditures	2,417.23	3,119.15	15,000.00	11,880.85	1,429.06	1,568.03
59600	Capital Acquisition		27,371.72	384,974.00	357,602.28	8,122.83	9,190.92
	Total Account	375,987.28	799,025.09	4,980,332.00	4,181,306.91	333,024.11	860,609.72
601200	NWSC						
51100	Salaries/Wages	9,183.82	22,172.84		-22,172.84	10,221.03	24,821.66
51120	Overtime	2,207.51	6,861.34		-6,861.34	2,274.34	8,176.84
51130	Stand-by	120.00	300.00		-300.00	120.00	290.00
	Total Account	11,511.33	29,334.18		-29,334.18	12,615.37	33,288.50
601300	RWSC						
51100	Salaries/Wages	6,713.69	15,970.98		-15,970.98	7,080.98	17,180.88
51120	Overtime	610.19	3,326.69		-3,326.69	1,200.71	4,712.69
51130	Stand-by	120.00	300.00		-300.00	120.00	290.00
	Total Account	7,443.88	19,597.67		-19,597.67	8,401.69	22,183.57
603000	Debt Services						
53260	Tax Collector Fees	5,952.13	5,952.13	14,550.00	8,597.87	6,067.56	6,067.56
53270	Appraisal District Fees	491.48	491.48	6,910.00	6,418.52		
56110	Bond Principal			270,000.00	270,000.00		
56120	Bond Interest Expense			78,550.00	78,550.00		
56130	Fiscal Agent's Fees			200.00	200.00		
	Total Account	6,443.61	6,443.61	370,210.00	363,766.39	6,067.56	6,067.56
609010	Capital Projects						
51100	Salaries/Wages	2,593.49	4,753.15		-4,753.15	6,912.20	12,961.35
54720	Cathodic Protect Materials					345.75	30,566.02
	Total Account	2,593.49	4,753.15		-4,753.15	7,257.95	43,527.37
	Total	403,979.59	859,153.70	5,350,542.00	4,491,388.30	367,366.68	965,676.72

02/03/26

SOUTH TEXAS WATER AUTHORITY

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Income Statement - Comparison to Prior Year
For the Accounting Period: 11 / 25

Combined Funds

Account Object	Description	----- Current Year -----				----- Last Year -----	
		Current Month	Current YTD	Budget	Variance	Prior Year Month	Prior Year YTD
	Net Income from Operations	-26,054.03	-85,618.88			-40,604.39	-241,967.83
	Other Revenue						
48120	Sale of Assets			15,000.00	-15,000.00		
48200	SUB-ACCOUNT NWSC		47,122.50		47,122.50		
48300	SUB-ACCOUNT RWSC		83,635.00		83,635.00		
	Total Other	0.00	130,757.50	15,000.00	115,757.50	0.00	0.00
	Net Income	-26,054.03	45,138.62			-40,604.39	-241,967.83

**REVENUE FUND
INCOME STATEMENT
FOR PERIOD ENDING November 30, 2025**

16.39%

	MONTHLY	YEAR TO DATE WITH THIS MONTH	2026 ADOPTED BUDGET	% OF 2026 ADOPTED BUDGET	2025 YEAR TO DATE	2025 Final BUDGET
REVENUES						
Water Service Revenue	\$161,076	\$313,493	\$1,764,065	18%	\$140,989	\$1,700,677
Handling Charge Revenue	\$29,469	\$57,355	\$330,133	17%	\$25,048	\$269,400
Premium Incremental Increase	\$1,091	\$2,266	\$13,030	17%	\$0	\$10,100
Surcharge - Out of District	\$741	\$1,482	\$12,264	12%	\$0	\$10,205
Interest Income	\$15,338	\$32,109	\$165,000	19%	\$18,369	\$216,150
Interest - Note	\$0	\$0	\$0		\$165	\$0
Other Revenue						
Operating & Maintenance Fees	\$55,332	\$1,178	\$7,850	15%	\$55,519	\$8,250
Miscellaneous Revenues	\$370	\$370	\$15,000	2%	\$476	\$134,500
Industry Revenues	\$0	\$0	\$0		\$0	\$659,941
Sub-Account NWSC	\$0	\$47,123	\$0		\$0	\$0
Sub-Account RWSC	\$0	\$83,635	\$0		\$0	\$0
TOTAL REVENUES	\$263,418	\$539,012	\$2,307,342	23%	\$240,566	\$3,009,223
EXPENDITURES						
Water Service Expenditures:						
Bulk Water Purchases	\$156,700	\$314,078	\$1,764,065	18%	\$150,343	\$1,700,677
Payroll Costs						
Salaries & Wages - Perm. Employees	\$62,278	\$26,306	\$433,907	6%	\$59,609	\$636,200
Salaries & Wages - Vacation Buyback	\$0	\$4,863	\$6,000	81%	\$0	\$5,850
Overtime - NWSC	\$2,208	\$0	\$0	0%	\$2,274	\$0
Stand-by Pay - NWSC	\$120	\$0	\$0	0%	\$120	\$0
Overtime - RWSC	\$610	\$0	\$0	0%	\$1,201	\$0
Stand-by Pay - RWSC	\$120	\$0	\$0	0%	\$120	\$0
Overtime - STWA	\$1,783	\$5,001	\$24,000	21%	\$1,411	\$30,000
Stand-by Pay - STWA	\$120	\$307	\$1,560	20%	\$120	\$1,620
Employee Retirement Premiums	\$7,664	\$7,600	\$69,044	11%	\$6,990	\$129,072
Group Insurance Premium	\$46,777	\$22,796	\$270,401	8%	\$31,922	\$526,690
Unemployment Compensation	\$0	-\$989	\$515	-192%	\$0	\$1,769
Workers' Compensation	\$0	\$16,007	\$10,189	157%	-\$124	\$16,780
Medicare	\$972	\$838	\$5,994	14%	\$888	\$14,034
Supplies & Materials						
Repairs & Maintenance	\$2,151	\$7,104	\$125,000	6%	\$4,150	\$125,000
Meter Expense	\$0	\$0	\$5,000	0%	\$0	\$1,200
Tank Repairs	\$0	\$0	\$35,000	0%	\$0	\$10,000
Major Repairs	\$0	\$0	\$25,000	0%	\$2,441	\$135,000
Other Operating Expenditures:						
Professional Fees						
Legal	\$3,084	\$10,938	\$125,000	9%	\$1,624	\$175,000
Auditing	\$1,650	\$1,650	\$12,200	14%	\$3,195	\$12,570
Engineering	\$8,961	\$23,110	\$250,000	9%	\$0	\$420,000
Management & Consulting	\$0	\$0	\$80,000	0%	\$12,630	\$82,000
JMAR Management Consulting LLC	\$8,333	\$11,666	\$70,000	17%	\$8,333	\$100,000
Inspection/GIS Mapping	\$0	\$0	\$7,500	0%	\$0	\$2,000
Consum Supplies/Materials						
Postage	\$0	-\$116	\$8,500	-1%	\$49	\$4,999

	MONTHLY	YEAR TO	2026	% OF 2026	2025	2025
Printing/Office Supplies	\$1,920	\$5,503	\$37,500	15%	\$4,742	\$42,445
Janitorial/Site Maintenance	\$1,304	\$2,328	\$22,500	10%	\$1,212	\$22,700
Fuel/Lubricants/Repairs	\$6,486	\$14,423	\$70,000	21%	\$9,400	\$117,290
Chemicals/Water Samples	\$407	\$3,482	\$45,000	8%	\$85	\$39,500
Safety Equipment	\$798	\$1,256	\$5,000	25%	\$420	\$6,500
Small Tools	\$313	\$368	\$3,000	12%	\$57	\$3,500
Recurring Operating Costs						
Telephone/Communications	\$3,293	\$4,764	\$40,000	12%	\$3,002	\$36,940
Utilities	\$7,911	\$16,586	\$112,500	15%	\$7,977	\$105,000
D & O Liability Insurance	\$0	\$1,893	\$4,500	42%	\$0	\$3,750
Property Insurance	\$0	\$63,756	\$63,000	101%	\$0	\$61,600
General Liability	\$55	\$4,163	\$6,000	69%	\$0	\$4,446
Auto Insurance	\$0	\$5,145	\$4,800	107%	\$0	\$4,718
Travel/Training/Meetings-Staff	\$1,636	\$3,696	\$20,000	18%	\$304	\$22,500
Travel/Training/Meetings-Board of Dir.	\$250	\$950	\$10,000	10%	\$0	\$6,000
Travel/Training/Meetings-Legislation	\$0	\$0	\$2,000	0%	\$0	\$0
Rental-Equipment/Uniforms	\$860	\$1,793	\$9,500	19%	\$538	\$12,000
Dues/Subscriptions/Publication	\$896	\$1,287	\$19,000	7%	\$771	\$20,000
Pass Through Cost	\$0	\$0	\$250	0%	\$0	\$50
Bad Debt Expense	\$0	\$0	\$0	0%	\$0	\$0
Payment to Sub-Account NWSC	\$11,309	\$14,136	\$0	0%	\$0	\$0
Payment to Sub-Account RWSC	\$20,072	\$25,090	\$0	0%	\$0	\$0
Miscellaneous						
Miscellaneous Expenditures	\$2,417	\$3,119	\$15,000	21%	\$1,429	\$15,000
Total Administrative & Operations Exp.	\$363,457	\$624,896	\$3,818,425	16%	\$317,233	\$4,654,400
Capital Outlay						
Capital Acquisition	\$0	\$27,372	\$384,974	7%	\$8,123	\$225,000
Cathodic Protection	\$0.00	\$0	\$590,500	0%	\$0	\$0
Total Expenditures Capital Outlay	\$0	\$27,372	\$975,474	3%	\$8,123	\$225,000
TOTAL EXPENDITURES	\$363,457	\$652,268	\$4,793,899	14%	\$325,356	\$4,879,400
Excess (Deficiencies) of Revenue Over Expenditures	-\$100,040	-\$113,256	-\$2,486,557		-\$84,790	-\$1,870,177
OTHER FINANCE SOURCE (USES)						
Transfer to Other Funds						
Transfer from Tax Account	-	0	\$1,668,498	0%	\$0	\$1,630,025
Extra Ordinary Income						
Disposition of Assets (Surplus Sale)	-	0	\$5,000	0%	\$0	\$3,500
TOTAL OTHER FINANCING SOURCES (USES)	\$0	\$0	\$1,673,498	0%	\$0	\$1,633,525
EXCESS (DEFICIENCIES) OF REVENUES OVER OTHER SOURCES (USES)	-\$100,040	-\$113,256	-\$813,059		-\$84,790	-\$236,652
NET INCOME	-\$100,040	-\$113,256	-\$813,059		-\$84,790	-\$236,652

101 Water

		Opening Balance	Change	Closing Balance
Assets				
101. 10100	STWA - Operations	16,250.03	16,502.90	32,752.93
101. 10200	STWA - General	379,540.73 (	144,113.65)	235,427.08
101. 10210	STWA - General Money Market	41,353.12	36.20	41,389.32
101. 10400	STWA - Payroll	24,091.98 (	15,384.30)	8,707.68
101. 10800	Petty Cash	150.00		150.00
101. 11300	TexPool	4,541,896.08	155,607.75	4,697,503.83
101. 12100	Tax Accounts Receivable	211,473.78		211,473.78
101. 12101	Allowance for Uncollect Taxes	(88,575.35)		(88,575.35)
101. 12102	Allowance for doubtful Accounts	(12,483.96)		(12,483.96)
101. 12120	Interlocal Rec - Tax Assessor	66,215.65 (	46,588.15)	19,627.50
101. 12201	Agua Dulce-Water	17,067.43	634.84	17,702.27
101. 12202	Bishop - Water	53,312.90 (	3,194.10)	50,118.80
101. 12203	Driscoll - Water	56,531.64 (	2,892.14)	53,639.50
101. 12204	Kingsville - Water	24,983.37	51,048.78	76,032.15
101. 12205	NCWCID 5 - Water	43,832.77	860.06	44,692.83
101. 12206	Ricardo WSC - Water	18,620.50 (	5,138.37)	13,482.13
101. 12207	Nueces WSC - Water	66,768.74 (	7,811.12)	58,957.62
101. 12208	Ricardo WSC - General & Admin	38,152.96	428.11	38,581.07
101. 12209	Nueces WSC - General & Admin	19,018.70 (	155.38)	18,863.32
101. 12500	Interlocal Rec-Bishop	(0.03)		(0.03)
101. 12700	Interlocal Rec-Driscoll	4,173.84	560.04	4,733.88
101. 12900	Interlocal Rec-Ricardo	6,830.66 (	1,266.25)	5,564.41
101. 12901	RWSC-Credit Card	801.16		801.16
101. 13000	Interlocal Rec-Nueces	15,873.41 (	5,000.33)	10,873.08
101. 13001	NWSC Credit Card	2,271.29	68.27	2,339.56
101. 13510	Due From Capital Projects Fund	452,255.86	2,593.49	454,849.35
101. 13520	Due from Debt Service Fund	4,170.76	6,443.61	10,614.37
101. 13530	Due from D.S .-Collect Service	16,505.60		16,505.60
101. 13900	Notes Receivable - Current	152.47		152.47
101. 14200	Prepaid Expenses	38,343.28		38,343.28
101. 15500	Inventory	42,276.74		42,276.74
Total Assets		6,101,856.11	3,240.26	6,105,096.37
Liabilities and Fund Equity				
101. 20300	Trade Accounts Payable	527,284.73	40,855.91	568,140.64
101. 20310	Conversion Trade Accounts Payable	333.16		333.16
101. 20400	Salaries & Wages Payable	6,414.56	17.44	6,432.00

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SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
For the Accounting Period: 11 / 25

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101 Water

		Opening Balance	Change	Closing Balance
101. 21051	Federal WH Taxes Payable	150.77		150.77
101. 21052	Medicare Payable	665.32		665.32
101. 21062	Unemployment Ins Payable	9,949.26		9,949.26
101. 21063	Emply Loan WH Payble	(671.10)		(671.10)
101. 21064	Emply Insurance WH Payble	(21,434.89)	(514.88)	(21,949.77)
101. 21065	Emply AFLAC Ins WH Payble	692.07	(63.88)	628.19
101. 21066	Emply Child Support WH Payble	(439.22)		(439.22)
101. 21067	Emply Nationwide WH Payble	200.00		200.00
101. 21068	Emply Advance WH Payble	(539.46)		(539.46)
101. 21069	Emply Other WH Payble	3,013.06		3,013.06
101. 21100	Miscellaneous Payables	34,634.84	504.36	35,139.20
101. 21500	Compensated Absences	13,824.65		13,824.65
101. 21700	Deferred Tax Revenue	122,898.43		122,898.43
101. 24100	Due to Debt Service Fund	4,709.26	151.74	4,861.00
101. 28400	Retained Earnings	5,309,177.18		5,309,177.18
101. 28410	Assigned Fund Bal. - Inventory	41,746.65		41,746.65
101. 28999	Net Income Current Year	49,246.84	(37,710.43)	11,536.41

Total Liabilities and Fund Equity **6,101,856.11** **3,240.26** **6,105,096.37**

Revenue

101. 41100	Tax Revenue	106,308.20	89,026.79	195,334.99
101. 41120	Delinquent Tax Revenue	3,631.73	3,315.70	6,947.43
101. 41150	Penalties & Interest - Tax	1,192.49	1,475.76	2,668.25
101. 41950	Miscellaneous - Taxes	(0.78)	(2.79)	(3.57)
101. 44100	Water Service Revenue	152,416.70	161,076.24	313,492.94
101. 44210	Handling Charge Revenue	27,886.27	29,468.68	57,354.95
101. 44230	Premium Incremental Increase	1,174.73	1,091.10	2,265.83
101. 44240	Surcharge - Out-of-District	741.43	741.43	1,482.86
101. 44600	Operations & Maint Fees	61,382.49	55,331.46	116,713.95
101. 46000	MISCELLANEOUS REVENUE		369.78	369.78
101. 47100	Interest income	16,770.53	15,337.91	32,108.44
101. 48200	SUB-ACCOUNT NWSC	47,122.50		47,122.50
101. 48300	SUB-ACCOUNT RWSC	83,635.00		83,635.00

Total Revenue **502,261.29** **357,232.06** **859,493.35**

101 Water

		Opening Balance	Change	Closing Balance
Expenditures				
101.601000.50200	Purchased water	157,378.02	156,699.72	314,077.74
101.601000.51100	Salaries/Wages	45,911.34	46,380.20	92,291.54
101.601000.51120	Overtime	3,218.21	1,782.59	5,000.80
101.601000.51130	Stand-by	186.77	120.00	306.77
101.601000.51160	Vacation Buyback	4,863.38		4,863.38
101.601000.51200	Employee Retirement	12,110.87	7,664.27	19,775.14
101.601000.51201	Group Ins - Health	(532.90)	45,460.08	44,927.18
101.601000.51202	Group Ins - Life	631.50	659.90	1,291.40
101.601000.51203	Group Ins - Dental	603.46	656.80	1,260.26
101.601000.51300	Unemployment Ins	10.53		10.53
101.601000.51400	Workers Compensation	17,864.00		17,864.00
101.601000.51700	Medicare	1,533.31	971.84	2,505.15
101.601000.52120	Printing/Office Supplies	3,952.58	1,920.06	5,872.64
101.601000.52130	Janitorial/Site Maint	1,023.94	1,303.91	2,327.85
101.601000.52160	Small Tools	55.18	312.55	367.73
101.601000.52380	Safety Equipment	458.28	797.80	1,256.08
101.601000.53110	Legal	7,853.50	3,083.50	10,937.00
101.601000.53120	Auditing		1,650.00	1,650.00
101.601000.53130	Engineering	14,149.25	8,960.50	23,109.75
101.601000.53140	Management & Consulting	8,333.33	8,333.33	16,666.66
101.601000.53260	Tax Collector Fees		29,083.97	29,083.97
101.601000.53270	Appraisal District Fees		2,401.52	2,401.52
101.601000.54110	General Repairs & Maintenance	4,953.36	2,150.96	7,104.32
101.601000.54140	Fuel/Lubricants/Repairs	8,596.47	6,486.49	15,082.96
101.601000.54150	Chemicals/Water Samples	3,074.75	407.00	3,481.75
101.601000.55110	Telephone/Communications	3,228.51	3,292.84	6,521.35
101.601000.55120	Utilities	8,674.95	7,910.82	16,585.77
101.601000.55130	D & O Liability Insurance	1,893.00		1,893.00
101.601000.55140	Property Insurance	63,755.82		63,755.82
101.601000.55150	General Liability Ins	4,108.00	55.25	4,163.25
101.601000.55160	Auto Insurance	5,145.00		5,145.00
101.601000.55180	Travel/Training/Meetings	2,759.70	1,886.36	4,646.06
101.601000.55610	Rental-Equip/Uniforms	933.30	859.68	1,792.98
101.601000.55620	Dues/Subscriptions/Advert	391.31	896.31	1,287.62
101.601000.58200	PAYMENT TO SUB-ACCOUNT NWSC	2,827.35	11,309.45	14,136.80
101.601000.58300	PAYMENT TO SUB-ACCOUNT RWSC	5,018.10	20,072.35	25,090.45
101.601000.58790	Misc Expenditures	701.92	2,417.23	3,119.15
101.601000.59600	Capital Acquisition	27,371.72		27,371.72
	Total STWA	423,037.81	375,987.28	799,025.09
101.601200.51100	Salaries/Wages	12,989.02	9,183.82	22,172.84
101.601200.51120	Overtime	4,653.83	2,207.51	6,861.34
101.601200.51130	Stand-by	180.00	120.00	300.00
	Total NWSC	17,822.85	11,511.33	29,334.18

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SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
For the Accounting Period: 11 / 25

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101 Water

		Opening Balance	Change	Closing Balance
101.601300.51100	Salaries/Wages	9,257.29	6,713.69	15,970.98
101.601300.51120	Overtime	2,716.50	610.19	3,326.69
101.601300.51130	Stand-by	180.00	120.00	300.00
	Total RWSC	12,153.79	7,443.88	19,597.67
	Total Expenditures	453,014.45	394,942.49	847,956.94

**TAX FUND
INCOME STATEMENT
FOR PERIOD ENDING NOVEMBER 30, 2025**

16.39%

	MONTHLY	YEAR TO DATE	2026 ADOPTED BUDGET	% OF 2026 ADOPTED BUDGET	2025 YEAR TO DATE	2025 FINAL BUDGET
REVENUES						
Ad-Valorem - Current	89,027	195,335	1,635,951	12%	182,748	1,665,196
Delinquent Tax Revenue	3,316	6,947	40,000	17%	8,257	38,115
Penalty & Interest - Tax Accounts	1,476	2,668	29,200	9%	2,702	27,345
Miscellaneous	-3	-4	0	0%	-5	0
TOTAL TAXES & INTEREST	93,815	204,946	1,705,151	12%	193,702	1,722,615
EXPENDITURES						
Tax Collector Fees	29,084	29,084	71,042	41%	28,815	68,980
Appraisal Districts	2,402	2,402	33,730	7%	0	31,651
TOTAL EXPENDITURES	31,485	31,485	104,772	30%	28,815	100,631
 Transfer to General Fund	 0	 0	 1,600,379	 0%	 0	 1,630,025
 EXCESS REVENUES & OTHER FINANCING SOURCES OVER(UNDER) EXPENDITURES AND OTHER USES	 62,330	 173,461	 0		 164,887	 (8,041)

**SPECIAL SERVICES
INCOME STATEMENT
FOR PERIOD ENDING NOVEMBER 30, 2025**

16.39%

	MONTHLY	YEAR TO DATE	2026 ADOPTED BUDGET	% OF 2026 ADOPTED BUDGET	2025 YEAR TO DATE	2025 FINAL BUDGET
REVENUES						
Ricardo Water Supply Corporation	25,035	50,908	563,786	9%	53,439	449,088
Nueces Water Supply Corporation	29,736	64,629	557,953	12%	61,218	439,152
TOTAL REVENUES	54,771	115,537	1,121,739	10%	114,657	888,240
EXPENDITURES						
Personnel	43,189	114,918	527,392	22%	92,970	454,994
Administrator	2,500	5,000	30,000	17%	5,000	30,000
Overhead	31,482	44,286	564,346	8%	62,648	403,246
TOTAL EXPENDITURES *	77,170	164,204	1,121,738	15%	160,618	888,240
EXCESS REVENUES & OTHER FINANCING SOURCES OVER(UNDER) EXPENDITURES AND OTHER USES	(22,399)	(48,668)	1		(45,961)	0

**CAPITAL PROJECTS FUND
INCOME STATEMENT
FOR PERIOD ENDING NOVEMBER 30, 2025**

16.39%

	MONTHLY	YEAR TO DATE	2026 ADOPTED BUDGET	% OF 2026 ADOPTED BUDGET	2025 YEAR TO DATE	2025 FINAL BUDGET
REVENUES						
Bond Proceeds	0	0	0	0%	0	0
Interest Income	528	1,090	0	0%	2,494	9,500
Other Income	0	0	0	0%	0	0
TOTAL REVENUE AND OTHER FINANCE SOURCES	528	1,090	0	0%	2,494	9,500
EXPENDITURES						
Right of Way Acquisition	0	0	0	0%	0	0
Engineering Fees	0	0	0	0%	0	0
Construction Costs	0	0	0	0%	0	0
42" Line-Cathodic Protection	0	0	0	0%	0	269,855
Pipeline Condition Assessment	0	0	0	0%	0	0
Legal & Administrative Fees	0	0	0	0%	0	0
Cost of Bond Issuance	0	0	0	0%	0	0
Salary	2,593	4,753	0	0%	0	0
TOTAL EXPENDITURES	2,593	4,753	0	0%	0	269,855
EXCESS REVENUES OVER(UNDER) EXPENDITURES AND OTHER USES	(2,066)	(3,664)	0		2,494	(260,355)

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SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
For the Accounting Period: 11 / 25

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410 Capital Projects

		Opening Balance	Change	Closing Balance
Assets				
410. 11400	TexStar	161,280.23	527.60	161,807.83
Total Assets		161,280.23	527.60	161,807.83
Liabilities and Fund Equity				
410. 24300	Due to General Fund	452,174.20	2,593.49	454,767.69
410. 28300	Fund Balance	(289,296.25)		(289,296.25)
410. 28999	Net Income Current Year	(1,597.72)	(2,065.89)	(3,663.61)
Total Liabilities and Fund Equity		161,280.23	527.60	161,807.83
Revenue				
410. 47100	Interest income	561.94	527.60	1,089.54
Total Revenue		561.94	527.60	1,089.54
Expenditures				
410.609010.51100	Salaries/Wages	2,159.66	2,593.49	4,753.15
Total Capital Projects		2,159.66	2,593.49	4,753.15

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SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
For the Accounting Period: 11 / 25

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410 Capital Projects

	Opening Balance	Change	Closing Balance
Total Expenditures	2,159.66	2,593.49	4,753.15

**DEBT SERVICE FUND
INCOME STATEMENT
FOR PERIOD ENDING NOVEMBER 30, 2025**

16.39%

	MONTHLY	YEAR TO DATE	2026 ADOPTED BUDGET	% OF 2026 ADOPTED BUDGET	2025 YEAR TO DATE	2025 FINAL BUDGET
REVENUES						
Ad-Valorem - Current	18,219	39,976	348,750	11%	38,480	367,927
Delinquent Tax Revenue	766	1,542	9,500	16%	1,787	9,500
Penalty & Interest - Tax Accounts	384	644	1,800	36%	567	2,200
Out-of-District Surcharge	152	303	5,500	6%	177	5,500
Interest on Temporary Investments	645	1,244	10,000	12%	1,223	13,200
Miscellaneous	0	0	0	0%	0	0
<i>TOTAL TAXES & INTEREST</i>	20,166	43,709	375,550	12%	42,234	398,327
OTHER FINANCING SOURCES						
Excess Bond Proceeds	0	0	0	0%	0	0
<i>TOTAL OTHER FINANCE SOURCES</i>	0	0	0	0%	0	0
TOTAL REVENUE AND OTHER FINANCE SOURCES						
	20,166	43,709	375,550	12%	42,234	398,327
EXPENDITURES						
Fiscal Agent Fees	0	0	200	0%	0	200
Bond Interest Expense	0	0	78,550	0%	0	86,350
Bond Principal Payments	0	0	270,000	0%	0	260,000
Tax Collector Fees	5,952	5,952	14,550	41%	6,068	14,650
Appraisal District Fees	491	491	6,910	7%	0	6,723
Miscellaneous	0	0	0	0%	0	0
<i>TOTAL EXPENDITURES</i>	6,444	6,444	370,210	2%	6,068	367,923
EXCESS REVENUES OVER(UNDER) EXPENDITURES AND OTHER USES						
	13,722	37,266	5,340		36,166	30,404

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SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
For the Accounting Period: 11 / 25

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310 Debt Service

		Opening Balance	Change	Closing Balance
Assets				
310. 11300	TexPool	176,833.60	30,042.68	206,876.28
310. 12100	Tax Accounts Receivable	55,352.98		55,352.98
310. 12101	Allowance for Uncollect Taxes	(11,370.61)		(11,370.61)
310. 12120	Interlocal Rec - Tax Assessor	14,099.19	(10,028.52)	4,070.67
310. 13511	Due from General Fund	4,709.26	151.74	4,861.00
	Total Assets	239,624.42	20,165.90	259,790.32
Liabilities and Fund Equity				
310. 21700	Deferred Tax Revenue	43,982.37		43,982.37
310. 24300	Due to General Fund	20,676.36	6,443.61	27,119.97
310. 28300	Fund Balance	151,422.16		151,422.16
310. 28999	Net Income Current Year	23,543.53	13,722.29	37,265.82
	Total Liabilities and Fund Equity	239,624.42	20,165.90	259,790.32
Revenue				
310. 41100	Tax Revenue	21,756.61	18,219.24	39,975.85
310. 41120	Delinquent Tax Revenue	776.07	766.36	1,542.43
310. 41150	Penalties & Interest - Tax	260.33	383.67	644.00
310. 44240	Surcharge - Out-of-District	151.74	151.74	303.48
310. 47100	Interest income	598.78	644.89	1,243.67
	Total Revenue	23,543.53	20,165.90	43,709.43

SOUTH TEXAS WATER AUTHORITY
Treasurer's Report
For Period Ending December 31, 2025

STWA Water Sales:

<u>Entity</u>	<u>Water Usage (1,000 g)</u>	<u>Cost of Water from City of Corpus Christi \$3.266221 per 1000 g</u>	<u>Handling Charge @ \$0.60/1000g</u>	<u>Incremental Increase @ \$0.60/1000g</u>	<u>Out of District Surcharge and Pass-Thru Credit</u>	<u>Total Due</u>
Kingsville	6,843	\$22,350.75	\$4,105.80	\$0.00	\$0.00	\$26,456.55
Bishop	4,456	\$14,554.28	\$2,673.60	\$0.00	\$0.00	\$17,227.88
Agua Dulce	1,953	\$6,378.93	\$1,171.80	\$0.00	\$0.00	\$7,550.73
RWSC	8,213	\$26,825.47	\$4,927.80	\$0.00	\$0.00	\$31,753.27
Driscoll	1,889	\$6,169.89	\$1,133.40	\$0.00	\$0.00	\$7,303.29
NCWCID #5	1,859	\$6,071.90	\$1,115.40	\$1,115.40	\$893.17	\$9,195.87
NWSC	18,197	\$59,435.42	\$10,918.20	\$0.00	\$0.00	\$70,353.62
TOTAL	43,410	\$141,786.65	\$26,046.00	\$1,115.40	\$893.17	\$169,841.22

Water Cost and Usage for Period of:

12/02/25

01/01/26

City of Corpus Christi Invoice for Cost of Water Purchased:	\$156,699.72
Gallons of Water Recorded by City of Corpus Christi:	43,640,000
Gallons of Water Recorded by STWA from Customer's Master Meters:	43,410,000
Water Loss Percentage:	<u><u>0.53%</u></u>

Annual Usage for FY26

Gallons of Water Recorded by City of Corpus Christi:	139,410,000
Gallons of Water Recorded by STWA from Customer's Master Meters:	139,000,461
Water Loss Percentage: (year to date)	<u><u>0.29%</u></u>

Combined Funds

Account Object	Description	----- Current Year -----				----- Last Year -----	
		Current Month	Current YTD	Budget	Variance	Prior Year Month	Prior Year YTD
Revenue							
41100	Tax Revenue	506,557.63	741,868.47	1,984,701.00	-1,242,832.53	485,601.37	706,830.20
41120	Delinquent Tax Revenue	3,246.37	11,736.23	49,500.00	-37,763.77	5,988.00	16,032.43
41150	Penalties & Interest - Tax	1,149.51	4,461.76	34,700.00	-30,238.24	1,893.46	5,162.51
41950	Miscellaneous - Taxes	-4.52	-8.09		-8.09	-3.79	-8.84
44100	Water Service Revenue	141,783.59	455,276.53	1,745,727.00	-1,290,450.47	101,513.38	380,432.11
44210	Handling Charge Revenue	26,045.43	83,400.38	313,248.00	-229,847.62	17,736.18	67,259.87
44230	Premium Incremental	1,115.10	3,380.93	12,500.00	-9,119.07	1,767.44	2,698.21
44240	Surcharge - Out-of-District	893.17	2,679.51	14,064.00	-11,384.49	2,040.78	3,112.77
44600	Operations & Maint Fees	57,218.84	173,932.79	7,850.00	166,082.79	59,893.49	176,386.19
46000	MISCELLANEOUS REVENUE	2,265.88	2,635.66	15,000.00	-12,364.34		1,584.51
46100	Miscellaneous Income					90,668.98	90,668.98
47100	Interest income	16,699.76	51,141.41	175,000.00	-123,858.59	19,663.30	60,147.18
47110	Interest-Note						165.36
	Total	756,970.76	1,530,505.58	4,352,290.00	-2,821,784.42	786,762.59	1,510,471.48
Expenses							
601000	STWA						
50200	Purchased water	142,537.88	456,615.62	1,745,727.00	1,289,111.38	97,982.50	390,084.34
51100	Salaries/Wages	68,751.29	161,042.83	433,906.00	272,863.17	54,405.13	138,063.19
51120	Overtime	1,628.67	6,629.47	24,000.00	17,370.53	3,228.85	8,726.97
51130	Stand-by	120.00	426.77	1,560.00	1,133.23	120.00	410.00
51160	Vacation Buyback		4,863.38	6,000.00	1,136.62		4,903.60
51200	Employee Retirement	14,338.19	34,113.33	69,044.00	34,930.67	13,413.88	32,517.98
51201	Group Ins - Health	32,854.98	77,782.16	249,471.00	171,688.84	40,308.85	110,001.93
51202	Group Ins - Life	731.20	2,022.60	9,415.00	7,392.40	651.19	1,905.57
51203	Group Ins - Dental	729.85	1,990.11	11,515.00	9,524.89	565.05	1,636.81
51300	Unemployment Ins		10.53	515.00	504.47		131.86
51400	Workers Compensation		17,864.00	10,189.00	-7,675.00	-72.92	17,118.56
51700	Medicare	1,051.62	3,556.77	5,994.00	2,437.23	1,006.98	3,411.31
52110	Postage			8,500.00	8,500.00		49.40
52120	Printing/Office Supplies	540.90	6,413.54	37,500.00	31,086.46	2,310.65	10,056.23
52130	Janitorial/Site Maint	781.16	3,109.01	22,500.00	19,390.99	913.24	3,619.00
52160	Small Tools		367.73	3,000.00	2,632.27	206.79	333.39
52380	Safety Equipment	94.98	1,351.06	5,000.00	3,648.94		1,014.98
53110	Legal	5,771.75	16,708.75	125,000.00	108,291.25	55,186.25	63,159.00
53120	Auditing		1,650.00	12,200.00	10,550.00	7,850.00	11,770.00
53130	Engineering	10,923.00	34,032.75	250,000.00	215,967.25	181,286.18	181,286.18
53140	Management & Consulting	8,333.33	24,999.99	150,000.00	125,000.01	8,333.33	45,279.99
53210	Inspection Services			7,500.00	7,500.00	574.11	574.11
53260	Tax Collector Fees		29,083.97	71,042.00	41,958.03	22,746.94	51,562.39
53270	Appraisal District Fees	4,738.77	7,140.29	33,730.00	26,589.71	7,358.28	7,358.28
54110	General Repairs &	3,095.66	10,199.98	125,000.00	114,800.02	7,072.60	17,095.40
54111	General R&M - Central Tank						129,925.67

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Combined Funds

Account Object	Description	----- Current Year -----				----- Last Year -----	
		Current Month	Current YTD	Budget	Variance	Prior Year Month	Prior Year YTD
54140	Fuel/Lubricants/Repairs	10,061.51	25,144.47	70,000.00	44,855.53	10,874.46	29,920.43
54150	Chemicals/Water Samples	1,572.20	5,053.95	45,000.00	39,946.05	2,428.75	4,546.56
54250	Meter Expense			5,000.00	5,000.00		
54260	Tank Repairs			35,000.00	35,000.00		
54291	Major Repairs			125,000.00	125,000.00		
54720	Cathodic Protect Materials			590,500.00	590,500.00		
55110	Telephone/Communications	3,482.78	10,004.13	40,000.00	29,995.87	749.37	6,357.90
55120	Utilities	8,210.76	24,796.53	112,500.00	87,703.47	9,097.89	26,579.10
55130	D & O Liability Insurance		1,893.00	4,500.00	2,607.00	50.00	1,992.36
55140	Property Insurance		63,755.82	63,000.00	-755.82		61,492.06
55150	General Liability Ins		4,163.25	6,000.00	1,836.75		3,446.05
55160	Auto Insurance		5,145.00	4,800.00	-345.00		4,717.72
55180	Travel/Training/Meetings	576.78	5,222.84	32,000.00	26,777.16	808.19	5,700.69
55610	Rental-Equip/Uniforms	2,230.00	4,022.98	9,500.00	5,477.02	802.61	2,374.32
55620	Dues/Subscriptions/Advert	21.31	1,308.93	19,000.00	17,691.07	915.98	1,902.57
55999	Bad Debt Expense					-5,771.27	-5,771.27
58130	Pass Through Costs			250.00	250.00		
58200	PAYMENT TO SUB-ACCOUNT NWSC		14,136.80		-14,136.80		
58300	PAYMENT TO SUB-ACCOUNT RWSC		25,090.45		-25,090.45		
58790	Misc Expenditures	1,587.81	4,706.96	15,000.00	10,293.04	1,674.01	3,242.04
59600	Capital Acquisition	33,945.49	61,317.21	384,974.00	323,656.79	23,161.99	32,352.91
	Total Account	358,711.87	1,157,736.96	4,980,332.00	3,822,595.04	550,239.86	1,410,849.58
601200	NWSC						
51100	Salaries/Wages	9,578.36	31,751.20		-31,751.20	6,754.90	31,576.56
51120	Overtime	2,241.89	9,103.23		-9,103.23	2,616.97	10,793.81
51130	Stand-by	120.00	420.00		-420.00	120.00	410.00
	Total Account	11,940.25	41,274.43		-41,274.43	9,491.87	42,780.37
601300	RWSC						
51100	Salaries/Wages	7,106.47	23,077.45		-23,077.45	6,071.47	23,252.35
51120	Overtime	1,140.73	4,467.42		-4,467.42	2,036.91	6,749.60
51130	Stand-by	120.00	420.00		-420.00	120.00	410.00
	Total Account	8,367.20	27,964.87		-27,964.87	8,228.38	30,411.95
603000	Debt Services						
53260	Tax Collector Fees		5,952.13	14,550.00	8,597.87	4,789.73	10,857.29
53270	Appraisal District Fees	969.80	1,461.28	6,910.00	5,448.72	1,549.41	1,549.41
56110	Bond Principal			270,000.00	270,000.00		
56120	Bond Interest Expense			78,550.00	78,550.00		
56130	Fiscal Agent's Fees			200.00	200.00		
	Total Account	969.80	7,413.41	370,210.00	362,796.59	6,339.14	12,406.70
609010	Capital Projects						
51100	Salaries/Wages	3,381.02	8,134.17		-8,134.17	4,641.26	17,602.61
54720	Cathodic Protect Materials					908.20	31,474.22
	Total Account	3,381.02	8,134.17		-8,134.17	5,549.46	49,076.83

02/03/26

SOUTH TEXAS WATER AUTHORITY

11:05:03

Income Statement - Comparison to Prior Year
For the Accounting Period: 12 / 25

Combined Funds

Account Object	Description	----- Current Year -----				----- Last Year -----	
		Current Month	Current YTD	Budget	Variance	Prior Year Month	Prior Year YTD
	Total	383,370.14	1,242,523.84	5,350,542.00	4,108,018.16	579,848.71	1,545,525.43
	Net Income from Operations	373,600.62	287,981.74			206,913.88	-35,053.95
	Other Revenue						
48120	Sale of Assets			15,000.00	-15,000.00		
48200	SUB-ACCOUNT NWSC		47,122.50		47,122.50		
48300	SUB-ACCOUNT RWSC		83,635.00		83,635.00		
	Total Other	0.00	130,757.50	15,000.00	115,757.50	0.00	0.00
	Net Income	373,600.62	418,739.24			206,913.88	-35,053.95

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**REVENUE FUND
INCOME STATEMENT
FOR PERIOD ENDING December 31, 2025**

25.00%

	MONTHLY	YEAR TO DATE WITH THIS MONTH	2026 ADOPTED BUDGET	% OF 2026 ADOPTED BUDGET	2025 YEAR TO DATE	2025 Final BUDGET
REVENUES						
Water Service Revenue	\$141,784	\$455,277	\$1,764,065	26%	\$380,432	\$1,700,677
Handling Charge Revenue	\$26,045	\$83,400	\$330,133	25%	\$67,260	\$269,400
Premium Incremental Increase	\$1,115	\$3,381	\$13,030	26%	\$2,698	\$10,100
Surcharge - Out of District	\$741	\$2,224	\$12,264	18%	\$2,758	\$10,205
Interest Income	\$15,432	\$47,541	\$165,000	29%	\$56,327	\$216,150
Interest - Note	\$0	\$0	\$0		\$165	\$0
Other Revenue						
Operating & Maintenance Fees	\$57,219	\$2,351	\$7,850	30%	\$2,026	\$8,250
Miscellaneous Revenues	\$2,266	\$2,636	\$15,000	18%	\$92,253	\$134,500
Industry Revenues	\$0	\$0	\$0		\$0	\$659,941
Sub-Account NWSC	\$0	\$47,123	\$0		\$0	\$0
Sub-Account RWSC	\$0	\$83,635	\$0		\$0	\$0
TOTAL REVENUES	\$244,602	\$727,567	\$2,307,342	32%	\$603,919	\$3,009,223
EXPENDITURES						
Water Service Expenditures:						
Bulk Water Purchases	\$142,538	\$456,616	\$1,764,065	26%	\$390,084	\$1,700,677
Payroll Costs						
Salaries & Wages - Perm. Employees	\$85,436	\$68,003	\$433,907	16%	\$79,860	\$636,200
Salaries & Wages - Vacation Buyback	\$0	\$4,863	\$6,000	81%	\$4,904	\$5,850
Overtime - NWSC	\$2,242	\$0	\$0	0%	\$0	\$0
Stand-by Pay - NWSC	\$120	\$0	\$0	0%	\$0	\$0
Overtime - RWSC	\$1,141	\$0	\$0	0%	\$0	\$0
Stand-by Pay - RWSC	\$120	\$0	\$0	0%	\$0	\$0
Overtime - STWA	\$1,629	\$6,629	\$24,000	28%	\$8,727	\$30,000
Stand-by Pay - STWA	\$120	\$427	\$1,560	27%	\$410	\$1,620
Employee Retirement Premiums	\$14,338	\$17,329	\$69,044	25%	\$17,528	\$129,072
Group Insurance Premium	\$34,316	\$30,664	\$270,401	11%	\$51,847	\$526,690
Unemployment Compensation	\$0	-\$1,557	\$515	-302%	\$9	\$1,769
Workers' Compensation	\$0	\$15,219	\$10,189	149%	\$14,943	\$16,780
Medicare	\$1,052	\$1,203	\$5,994	20%	\$1,506	\$14,034
Supplies & Materials						
Repairs & Maintenance	\$3,096	\$10,200	\$125,000	8%	\$17,096	\$125,000
Meter Expense	\$0	\$0	\$5,000	0%	\$0	\$1,200
Tank Repairs	\$0	\$0	\$35,000	0%	\$0	\$10,000
Major Repairs	\$0	\$0	\$25,000	0%	\$129,926	\$135,000
Other Operating Expenditures:						
Professional Fees						
Legal	\$5,772	\$16,709	\$125,000	13%	\$63,159	\$175,000
Auditing	\$0	\$1,650	\$12,200	14%	\$11,770	\$12,570
Engineering	\$10,923	\$34,033	\$250,000	14%	\$181,286	\$420,000
Management & Consulting	\$0	\$0	\$80,000	0%	\$20,280	\$82,000
JMAR Management Consulting LLC	\$8,333	\$17,499	\$70,000	25%	\$17,500	\$100,000
Inspection/GIS Mapping	\$0	\$0	\$7,500	0%	\$574	\$2,000
Consum Supplies/Materials						
Postage	\$0	-\$152	\$8,500	-2%	-\$114	\$4,999
Printing/Office Supplies	\$541	\$5,803	\$37,500	15%	\$8,638	\$42,445
Janitorial/Site Maintenance	\$781	\$3,109	\$22,500	14%	\$3,619	\$22,700

25.00%

	MONTHLY	YEAR TO	2026	% OF 2026	2025	2025
Fuel/Lubricants/Repairs	\$10,062	\$24,189	\$70,000	35%	\$14,934	\$117,290
Chemicals/Water Samples	\$1,572	\$5,054	\$45,000	11%	\$4,547	\$39,500
Safety Equipment	\$95	\$1,351	\$5,000	27%	\$1,015	\$6,500
Small Tools	\$0	\$368	\$3,000	12%	\$334	\$3,500
Recurring Operating Costs						
Telephone/Communications	\$3,483	\$7,369	\$40,000	18%	\$5,033	\$36,940
Utilities	\$8,211	\$24,797	\$112,500	22%	\$26,579	\$105,000
D & O Liability Insurance	\$0	\$1,893	\$4,500	42%	\$1,992	\$3,750
Property Insurance	\$0	\$63,756	\$63,000	101%	\$61,492	\$61,600
General Liability	\$0	\$4,163	\$6,000	69%	\$3,446	\$4,446
Auto Insurance	\$0	\$5,145	\$4,800	107%	\$4,718	\$4,718
Travel/Training/Meetings-Staff	\$177	\$3,873	\$20,000	19%	\$5,101	\$22,500
Travel/Training/Meetings-Board of Dir.	\$400	\$1,350	\$10,000	14%	\$600	\$6,000
Travel/Training/Meetings-Legislation	\$0	\$0	\$2,000	0%	\$0	\$0
Rental-Equipment/Uniforms	\$2,230	\$4,023	\$9,500	42%	\$2,374	\$12,000
Dues/Subscriptions/Publication	\$21	\$1,309	\$19,000	7%	\$1,903	\$20,000
Pass Through Cost	\$0	\$0	\$250	0%	\$0	\$50
Bad Debt Expense	\$0	\$0	\$0	0%	-\$5,771	\$0
Payment to Sub-Account NWSC	\$0	\$14,136	\$0	0%	\$0	\$0
Payment to Sub-Account RWSC	\$0	\$25,090	\$0	0%	\$0	\$0
Miscellaneous						
Miscellaneous Expenditures	\$1,588	\$4,707	\$15,000	31%	\$3,242	\$15,000
Total Administrative & Operations Exp.	\$340,335	\$880,819	\$3,818,425	23%	\$1,155,091	\$4,654,400
Capital Outlay						
Capital Acquisition	\$33,945	\$61,317	\$384,974	16%	\$32,353	\$225,000
Cathodic Protection	\$0.00	\$0	\$590,500	0%	\$0	\$0
Total Expenditures Capital Outlay	\$33,945	\$61,317	\$975,474	6%	\$32,353	\$225,000
TOTAL EXPENDITURES	\$374,281	\$942,137	\$4,793,899	20%	\$1,187,444	\$4,879,400
Excess (Deficiencies) of Revenue Over Expenditures	-\$129,679	-\$214,569	-\$2,486,557		-\$583,525	-\$1,870,177
OTHER FINANCE SOURCE (USES)						
Transfer to Other Funds						
Transfer from Tax Account	-	0	\$1,668,498	0%	\$0	\$1,630,025
Extra Ordinary Income						
Disposition of Assets (Surplus Sale)	-	0	\$5,000	0%	\$0	\$3,500
TOTAL OTHER FINANCING SOURCES (USES)	\$0	\$0	\$1,673,498	0%	\$0	\$1,633,525
EXCESS (DEFICIENCIES) OF REVENUES OVER OTHER SOURCES (USES)	-\$129,679	-\$214,569	-\$813,059		-\$583,525	-\$236,652
Rounding issues						-\$1.00
NET INCOME	-\$129,679	-\$214,570	-\$813,059		-\$583,525	-\$236,652

101 Water

		Opening Balance	Change	Closing Balance
Assets				
101. 10100	STWA - Operations	32,752.93	29,018.96	61,771.89
101. 10200	STWA - General	235,427.08 (	213,805.55)	21,621.53
101. 10210	STWA - General Money Market	41,389.32	34.53	41,423.85
101. 10400	STWA - Payroll	8,707.68	17,934.03	26,641.71
101. 10800	Petty Cash	150.00		150.00
101. 11300	TexPool	4,697,503.83	25,012.31	4,722,516.14
101. 12100	Tax Accounts Receivable	211,473.78		211,473.78
101. 12101	Allowance for Uncollect Taxes	(88,575.35)		(88,575.35)
101. 12102	Allowance for doubtful Accounts	(12,483.96)		(12,483.96)
101. 12120	Interlocal Rec - Tax Assessor	19,627.50	64,411.69	84,039.19
101. 12201	Agua Dulce-Water	17,702.27 (	1,249.44)	16,452.83
101. 12202	Bishop - Water	50,118.80 (	8,655.42)	41,463.38
101. 12203	Driscoll - Water	53,639.50 (	11,761.18)	41,878.32
101. 12204	Kingsville - Water	76,032.15	1,471.29	77,503.44
101. 12205	NCWCID 5 - Water	44,692.83 (	469.64)	44,223.19
101. 12206	Ricardo WSC - Water	13,482.13	31,753.27	45,235.40
101. 12207	Nueces WSC - Water	58,957.62	70,355.20	129,312.82
101. 12208	Ricardo WSC - General & Admin	38,581.07	20,230.74	58,811.81
101. 12209	Nueces WSC - General & Admin	18,863.32	19,661.66	38,524.98
101. 12500	Interlocal Rec-Bishop	(0.03)		(0.03)
101. 12700	Interlocal Rec-Driscoll	4,733.88 (	883.22)	3,850.66
101. 12900	Interlocal Rec-Ricardo	5,564.41	4,540.02	10,104.43
101. 12901	RWSC-Credit Card	801.16		801.16
101. 13000	Interlocal Rec-Nueces	10,873.08	12,256.93	23,130.01
101. 13001	NWSC Credit Card	2,339.56	392.36	2,731.92
101. 13510	Due From Capital Projects Fund	454,849.35	3,381.02	458,230.37
101. 13520	Due from Debt Service Fund	10,614.37	969.80	11,584.17
101. 13530	Due from D.S.-Collect Service	16,505.60		16,505.60
101. 13900	Notes Receivable - Current	152.47		152.47
101. 14200	Prepaid Expenses	38,343.28		38,343.28
101. 15500	Inventory	42,276.74		42,276.74
Total Assets		6,105,096.37	64,599.36	6,169,695.73
Liabilities and Fund Equity				
101. 20300	Trade Accounts Payable	568,140.64 (	243,237.93)	324,902.71
101. 20310	Conversion Trade Accounts Payable	333.16		333.16
101. 20400	Salaries & Wages Payable	6,432.00	18,068.00	24,500.00

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SOUTH TEXAS WATER AUTHORITY
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101 Water

		Opening Balance	Change	Closing Balance
Expenditures				
101.601000.50200	Purchased water	314,077.74	142,537.88	456,615.62
101.601000.51100	Salaries/Wages	92,291.54	68,751.29	161,042.83
101.601000.51120	Overtime	5,000.80	1,628.67	6,629.47
101.601000.51130	Stand-by	306.77	120.00	426.77
101.601000.51160	Vacation Buyback	4,863.38		4,863.38
101.601000.51200	Employee Retirement	19,775.14	14,338.19	34,113.33
101.601000.51201	Group Ins - Health	44,927.18	32,854.98	77,782.16
101.601000.51202	Group Ins - Life	1,291.40	731.20	2,022.60
101.601000.51203	Group Ins - Dental	1,260.26	729.85	1,990.11
101.601000.51300	Unemployment Ins	10.53		10.53
101.601000.51400	Workers Compensation	17,864.00		17,864.00
101.601000.51700	Medicare	2,505.15	1,051.62	3,556.77
101.601000.52120	Printing/Office Supplies	5,872.64	540.90	6,413.54
101.601000.52130	Janitorial/Site Maint	2,327.85	781.16	3,109.01
101.601000.52160	Small Tools	367.73		367.73
101.601000.52380	Safety Equipment	1,256.08	94.98	1,351.06
101.601000.53110	Legal	10,937.00	5,771.75	16,708.75
101.601000.53120	Auditing	1,650.00		1,650.00
101.601000.53130	Engineering	23,109.75	10,923.00	34,032.75
101.601000.53140	Management & Consulting	16,666.66	8,333.33	24,999.99
101.601000.53260	Tax Collector Fees	29,083.97		29,083.97
101.601000.53270	Appraisal District Fees	2,401.52	4,738.77	7,140.29
101.601000.54110	General Repairs & Maintenance	7,104.32	3,095.66	10,199.98
101.601000.54140	Fuel/Lubricants/Repairs	15,082.96	10,061.51	25,144.47
101.601000.54150	Chemicals/Water Samples	3,481.75	1,572.20	5,053.95
101.601000.55110	Telephone/Communications	6,521.35	3,482.78	10,004.13
101.601000.55120	Utilities	16,585.77	8,210.76	24,796.53
101.601000.55130	D & O Liability Insurance	1,893.00		1,893.00
101.601000.55140	Property Insurance	63,755.82		63,755.82
101.601000.55150	General Liability Ins	4,163.25		4,163.25
101.601000.55160	Auto Insurance	5,145.00		5,145.00
101.601000.55180	Travel/Training/Meetings	4,646.06	576.78	5,222.84
101.601000.55610	Rental-Equip/Uniforms	1,792.98	2,230.00	4,022.98
101.601000.55620	Dues/Subscriptions/Advert	1,287.62	21.31	1,308.93
101.601000.58200	PAYMENT TO SUB-ACCOUNT NWSC	14,136.80		14,136.80
101.601000.58300	PAYMENT TO SUB-ACCOUNT RWSC	25,090.45		25,090.45
101.601000.58790	Misc Expenditures	3,119.15	1,587.81	4,706.96
101.601000.59600	Capital Acquisition	27,371.72	33,945.49	61,317.21
	Total STWA	799,025.09	358,711.87	1,157,736.96
101.601200.51100	Salaries/Wages	22,172.84	9,578.36	31,751.20
101.601200.51120	Overtime	6,861.34	2,241.89	9,103.23
101.601200.51130	Stand-by	300.00	120.00	420.00
	Total NWSC	29,334.18	11,940.25	41,274.43

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SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
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101 Water

		Opening Balance	Change	Closing Balance
101.601300.51100	Salaries/Wages	15,970.98	7,106.47	23,077.45
101.601300.51120	Overtime	3,326.69	1,140.73	4,467.42
101.601300.51130	Stand-by	300.00	120.00	420.00
	Total RWSC	19,597.67	8,367.20	27,964.87
	Total Expenditures	847,956.94	379,019.32	1,226,976.26

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**TAX FUND
INCOME STATEMENT
FOR PERIOD ENDING DECEMBER 31, 2025**

25.00%

	MONTHLY	YEAR TO DATE	2026 ADOPTED BUDGET	% OF 2026 ADOPTED BUDGET	2025 YEAR TO DATE	2025 FINAL BUDGET
REVENUES						
Ad-Valorem - Current	420,501	615,836	1,635,951	38%	401,137	1,665,196
Delinquent Tax Revenue	2,669	9,617	40,000	24%	4,908	38,115
Penalty & Interest - Tax Accounts	940	3,608	29,200	12%	1,527	27,345
Miscellaneous	-5	-9	0	0%	-4	0
TOTAL TAXES & INTEREST	424,106	629,052	1,705,151	37%	407,568	1,722,615
EXPENDITURES						
Tax Collector Fees	0	29,084	71,042	41%	22,747	68,980
Appraisal Districts	4,739	7,140	33,730	21%	7,358	31,651
TOTAL EXPENDITURES	4,739	36,224	104,772	35%	30,105	100,631
Transfer to General Fund	0	0	1,600,379	0%	0	1,630,025
EXCESS REVENUES & OTHER FINANCING SOURCES OVER(UNDER) EXPENDITURES AND OTHER USES	419,367	592,828	0		377,463	(8,041)

**SPECIAL SERVICES
INCOME STATEMENT
FOR PERIOD ENDING December 31, 2025**

25.00%

	MONTHLY	YEAR TO DATE	2026 ADOPTED BUDGET	% OF 2026 ADOPTED BUDGET	2025 YEAR TO DATE	2025 FINAL BUDGET
REVENUES						
Ricardo Water Supply Corporation	24,771	75,679	563,786	13%	83,169	449,088
Nueces Water Supply Corporation	31,276	95,904	557,953	17%	91,228	439,152
TOTAL REVENUES	56,046	171,583	1,121,739	15%	174,397	888,240
EXPENDITURES						
Personnel	47,362	162,280	527,392	31%	131,395	454,994
Administrator	2,500	7,500	30,000	25%	7,500	30,000
Overhead	34,550	78,836	564,346	14%	98,782	403,246
TOTAL EXPENDITURES *	84,412	248,616	1,121,738	22%	237,677	888,240
EXCESS REVENUES & OTHER FINANCING SOURCES OVER(UNDER) EXPENDITURES AND OTHER USES						
	(28,365)	(77,033)	1		(63,280)	0

**CAPITAL PROJECTS FUND
INCOME STATEMENT
FOR PERIOD ENDING DECEMBER 31, 2025**

25.00%

	MONTHLY	YEAR TO DATE	2026 ADOPTED BUDGET	% OF 2026 ADOPTED BUDGET	2025 YEAR TO DATE	2025 FINAL BUDGET
REVENUES						
Bond Proceeds	0	0	0	0%	0	0
Interest Income	526	1,615	0	0%	3,772	9,500
Other Income	0	0	0	0%	0	0
TOTAL REVENUE AND OTHER FINANCE SOURCES	526	1,615	0	0%	3,772	9,500
EXPENDITURES						
Right of Way Acquisition	0	0	0	0%	0	0
Engineering Fees	0	0	0	0%	0	0
Construction Costs	0	0	0	0%	0	0
42" Line-Cathodic Protection	0	0	0	0%	0	269,855
Pipeline Condition Assessment	0	0	0	0%	0	0
Legal & Administrative Fees	0	0	0	0%	0	0
Cost of Bond Issuance	0	0	0	0%	0	0
Salary	3,381	8,134	0	0%	0	0
TOTAL EXPENDITURES	3,381	8,134	0	0%	0	269,855
EXCESS REVENUES OVER(UNDER) EXPENDITURES AND OTHER USES	(2,855)	(6,519)	0		3,772	(260,355)

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410 Capital Projects

		Opening Balance	Change	Closing Balance
Assets				
410. 11400	TexStar	161,807.83	525.60	162,333.43
Total Assets		161,807.83	525.60	162,333.43
Liabilities and Fund Equity				
410. 24300	Due to General Fund	454,767.69	3,381.02	458,148.71
410. 28300	Fund Balance	(289,296.25)		(289,296.25)
410. 28999	Net Income Current Year	(3,663.61)	(2,855.42)	(6,519.03)
Total Liabilities and Fund Equity		161,807.83	525.60	162,333.43
Revenue				
410. 47100	Interest income	1,089.54	525.60	1,615.14
Total Revenue		1,089.54	525.60	1,615.14
Expenditures				
410.609010.51100	Salaries/Wages	4,753.15	3,381.02	8,134.17
Total Capital Projects		4,753.15	3,381.02	8,134.17

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SOUTH TEXAS WATER AUTHORITY
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410 Capital Projects

	Opening Balance	Change	Closing Balance
Total Expenditures	4,753.15	3,381.02	8,134.17

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**DEBT SERVICE FUND
INCOME STATEMENT
FOR PERIOD ENDING DECEMBER 31, 2025**

25.00%

	MONTHLY	YEAR TO DATE	2026 ADOPTED BUDGET	% OF 2026 ADOPTED BUDGET	2025 YEAR TO DATE	2025 FINAL BUDGET
REVENUES						
Ad-Valorem - Current	86,056	126,032	348,750	36%	84,465	367,927
Delinquent Tax Revenue	577	2,120	9,500	22%	1,080	9,500
Penalty & Interest - Tax Accounts	210	854	1,800	47%	367	2,200
Out-of-District Surcharge	152	455	5,500	8%	177	5,500
Interest on Temporary Investments	742	1,986	10,000	20%	761	13,200
Miscellaneous	0	0	0	0%	0	0
<i>TOTAL TAXES & INTEREST</i>	87,737	131,447	375,550	35%	86,850	398,327
OTHER FINANCING SOURCES						
Excess Bond Proceeds	0	0	0	0%	0	0
<i>TOTAL OTHER FINANCE SOURCES</i>	0	0	0	0%	0	0
TOTAL REVENUE AND OTHER FINANCE SOURCES						
	87,737	131,447	375,550	35%	86,850	398,327
EXPENDITURES						
Fiscal Agent Fees	0	0	200	0%	0	200
Bond Interest Expense	0	0	78,550	0%	0	86,350
Bond Principal Payments	0	0	270,000	0%	0	260,000
Tax Collector Fees	0	5,952	14,550	41%	4,790	14,650
Appraisal District Fees	970	1,461	6,910	21%	1,549	6,723
Miscellaneous	0	0	0	0%	0	0
<i>TOTAL EXPENDITURES</i>	970	7,413	370,210	2%	6,339	367,923
EXCESS REVENUES OVER(UNDER) EXPENDITURES AND OTHER USES						
	86,768	124,033	5,340		80,511	30,404

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310 Debt Service

		Opening Balance	Change	Closing Balance
Assets				
310. 11300	TexPool	206,876.28	74,456.10	281,332.38
310. 12100	Tax Accounts Receivable	55,352.98		55,352.98
310. 12101	Allowance for Uncollect Taxes	(11,370.61)		(11,370.61)
310. 12120	Interlocal Rec - Tax Assessor	4,070.67	13,129.56	17,200.23
310. 13511	Due from General Fund	4,861.00	151.74	5,012.74
	Total Assets	259,790.32	87,737.40	347,527.72
Liabilities and Fund Equity				
310. 21700	Deferred Tax Revenue	43,982.37		43,982.37
310. 24300	Due to General Fund	27,119.97	969.80	28,089.77
310. 28300	Fund Balance	151,422.16		151,422.16
310. 28999	Net Income Current Year	37,265.82	86,767.60	124,033.42
	Total Liabilities and Fund Equity	259,790.32	87,737.40	347,527.72
Revenue				
310. 41100	Tax Revenue	39,975.85	86,056.27	126,032.12
310. 41120	Delinquent Tax Revenue	1,542.43	577.20	2,119.63
310. 41150	Penalties & Interest - Tax	644.00	209.96	853.96
310. 44240	Surcharge - Out-of-District	303.48	151.74	455.22
310. 47100	Interest income	1,243.67	742.23	1,985.90
	Total Revenue	43,709.43	87,737.40	131,446.83

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SOUTH TEXAS WATER AUTHORITY
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310 Debt Service

		Opening Balance	Change	Closing Balance
Expenditures				
310.603000.53260	Tax Collector Fees	5,952.13		5,952.13
310.603000.53270	Appraisal District Fees	491.48	969.80	1,461.28
	Total Debt Services	6,443.61	969.80	7,413.41
	Total Expenditures	6,443.61	969.80	7,413.41

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WILLATT & FLICKINGER, PLLC
ATTORNEYS AT LAW

12912 HILL COUNTRY BLVD., SUITE F-232 • AUSTIN, TEXAS 78738 • (512) 476-6604 • FAX (512) 469-9148

December 31, 2025

Mr. John Marez
South Texas Water Authority
2302 E. Sage Road
Kingsville, Texas 78363

FOR PROFESSIONAL SERVICES RENDERED since the date of last billing:

GENERAL

BILL FLICKINGER

12/05/25 Continue review of pending projects. (0.3 Hours).

12/17/25 Continue review of pending projects. (0.2 Hours).

Attorney BF: 0.5 Hours

GREG SZUMAN

11/25/25 Email Jo Ella Wagner regarding multiple STWA matters. (0.7 Hours).

12/01/25 Receive and review email regarding TWDB funding. (0.2 Hours).

12/02/25 Review draft agenda for upcoming meeting. (0.2 Hours). Attend HB 103 Webinar for bond reporting and review FAQs and provided guides for same. (0.3 Hours).

12/03/25 Email Charlie Zahn on draft agenda. (0.2 Hours). Continue HB 103 research. (0.2 Hours).

12/04/25 Telephone conference with Charlie Zahn on STWA matters. (0.3 Hours). Continue HB 103 research and receive and review email from Comptroller's Office regarding HB 103. (0.2 Hours).

12/05/25 Review Seven Seas documents. (1.0 Hours). Review STWA ORR. (0.6 Hours). Review current project list. (0.4 Hours).

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- 12/08/25 Draft and send email to John Marez on PIA request. (0.3 Hours). Attempt to return call to John Marez. (0.2 Hours). Attempt to contact Lisa Aguilar to discuss Corpus Christi Agreement. (0.2 Hours).
- 12/09/25 Receive and review email from Lisa Aguilar regarding extension and forward same to John Marez. (0.2 Hours). Prepare for and attend STWA board meeting. (3.2 Hours). Telephone conference with John Marez on PIA request. (0.2 Hours).
- 12/10/25 Email STWA on HB 103. (0.2 Hours).
- 12/11/25 Email John Marez and Jo Ella Wagner regarding STWA agreement with Corpus Christi. (0.2 Hours).
- 12/12/25 Receive, review, and respond to email from John Marez regarding CCW agreement. (0.2 Hours).
- 12/15/25 Review petition for Ground Water Conservation District and consult with Charlie Zahn on same. (0.6 Hours). Review and file Eminent Domain Report. (0.4 Hours).
- 12/16/25 Email John Marez on PIA request and draft correspondence acknowledging receipt. (0.7 Hours). Review Attorney General's opinion on PIA request. (0.4 Hours).
- 12/17/25 Receive PIA documents, begin review of same, and draft request for clarification. (1.9 Hours). Review pending projects list. (0.4 Hours).
- 12/18/25 Receive email from Lisa Aguilar on contract amendment. Respond to email. (0.2 Hours). Update request for clarification. Send to requestor with some of the responsive documents. (0.5 Hours).
- 12/23/25 Receive, review, and respond to email from John Marez on Corpus Christi Agreement. (0.2 Hours).
- 12/30/25 Receive, review, and respond to email regarding public information request. (0.3 Hours).

Attorney GS: 14.8 Hours

ALLISON NIX

- 12/05/25 Review pending projects list and begin updating same. Review prior communications and review Nueces County Commissioners Court meeting

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minutes in connection with approval of Utility Conveyance Agreements. (1.0 Hours).

12/16/25 Continue review of Nueces County Commissioners Court meeting minutes in connection with approval of Utility Conveyance Agreements. Draft and send follow-up email to Anna Velazquez on status of same. Update pending projects list. (0.6 Hours).

12/18/25 Continue preparation of request for clarification letter in connection with PIA request. (0.2 Hours).

Legal Assistant AN: 1.8 Hours

Attorney BF: 0.5 Hours @ \$350.00 per hour	\$175.00
Attorney HH: 0 Hours @ \$350.00 per hour	
Attorney GS: 14.8 Hours @ \$350.00 per hour	\$5,180.00
Legal Assistant AN: 1.8 Hours @ \$185.00 per hour	\$333.00

CLIENT EXPENSES

7 Photocopies @ \$0.25 each \$1.75

164 Color Photocopies @ \$0.50 each \$82.00

Total Client Expenses \$83.75

TOTAL AMOUNT DUE \$5,771.75

WILLATT & FLICKINGER, PLLC
ATTORNEYS AT LAW

12912 HILL COUNTRY BLVD., SUITE F-232 • AUSTIN, TEXAS 78738 • (512) 476-6604 • FAX (512) 469-9148

January 31, 2026

Mr. John Marez
South Texas Water Authority
2302 E. Sage Road
Kingsville, Texas 78363

FOR PROFESSIONAL SERVICES RENDERED since the date of last billing:

GENERAL

BILL FLICKINGER

- 01/12/26 Continue review of proposed Services Agreement with Quantified Ventures. (0.4 Hours).
- 01/29/26 Continue revising draft Water Supply Contract with NCWCID No. 5. (0.3 Hours).
- 01/30/26 Continue revising draft Water Supply Contract with NCWCID No. 5. (1.5 Hours).
- 01/31/26 Continue revising draft Water Supply Contract with NCWCID No. 5 and email same to all parties for review and comment. (1.9 Hours).

Attorney BF: 4.1 Hours

GREG SZUMAN

- 01/05/26 Follow up with John Marez on PIA request and hold telephone conference with him on same. (0.3 Hours).
- 01/06/26 Receive and review insurance information regarding PIA request. (0.2 Hours).
Review agendas for upcoming meetings. (0.3 Hours).
- 01/07/26 Draft response regarding PIA request. (0.6 Hours).
- 01/08/26 Receive and review several emails regarding PIA request. (0.4 Hours).

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- 01/09/26 Begin review of STWA agreement provided by John Marez. (0.5 Hours).
Review conflict of interest question from STWA Board member and email same to
John Marez. (0.6 Hours). Begin drafting response to PIA. (1.1 Hours).
- 01/12/26 Continue updating PIA request and email John Marez on same. (0.8 Hours).
Receive and begin reviewing documents responsive to PIA request. (0.9 Hours).
- 01/13/26 Continue working on PIA response and review documents provided. (1.0 Hours).
- 01/14/26 Receive, review, and respond to email from John Marez regarding PIA request.
(0.2 Hours).
- 01/15/26 Follow up with John Marez on PIA request and prepare same for sending. (0.5
Hours).
- 01/16/26 Complete packet with responsive documents and send same to homeowner. (0.4
Hours).
- 01/20/26 Prepare for and attend board meeting. (2.8 Hours).
- 01/21/26 Review notes from board meeting. (0.3 Hours).
- 01/26/26 Receive and review email from John Marez on contract proposal between
NCWCID No. 5 and STWA and respond to same. (0.2 Hours). Attend Zoom
board meeting. (0.5 Hours).
- 01/30/26 Telephone conference with John Marez on STWA matters. (0.2 Hours).

Attorney GS: 11.8 Hours

ALLISON NIX

- 01/07/26 Continue preparation of response letter for clarified PIA request. (0.2 Hours).

Legal Assistant AN: 0.2 Hours

Attorney BF: 4.1 Hours @ \$350.00 per hour	\$1,435.00
Attorney HH: 0 Hours @ \$350.00 per hour	
Attorney GS: 11.8 Hours @ \$350.00 per hour	\$4,130.00
Legal Assistant AN: 0.2 Hours @ \$185.00 per hour	\$37.00

January 31, 2026

Page 3

CLIENT EXPENSES

111 Photocopies @ \$0.25 each \$27.75

44 Color Photocopies @ \$0.50 each \$22.00

Total Client Expenses \$49.75

TOTAL AMOUNT DUE \$5,651.75

ATTACHMENT 5

O&M Report

Memorandum

To: South Texas Water Authority Board of Directors and John Marez, Administrator
From: Patrick Sendejo, O&M Manager / Victor Gutierrez, Field Supervisor
Date: February 4th, 2026
Re: O&M Technical Report

During the Week of December 1st 2025:

Admin:

Review GPS Records
Update Daily Water Loss
TRWA Apprenticeship Weekly Hours Update (Noe Moreno).
Residual adjustment training/excavator training/CSI Training/Standard Operation Procedure Training.

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC Meter Run @ Office
Weekly CL 17 Verification
Locates – STWA, RWSC & NWSC
Meter Readings – NWSC, RWSC
Completed service orders for NWSC & RWSC.
Completed Taps – (0)
Leaks repaired – (0)

Safety & Maintenance:

Safety Meeting:
(Open Crew discussions on all aspects of preventative maintenance, which includes time for any Q&A.) (JSA preventative hazard safety meeting to address any potential hazard.)
Generators – Exercise Transfer Switch
Weekly/Monthly Preventative Maintenance – Heavy Equipment, Lawn care equipment, Leak equipment, Pump-station equipment, Tap equipment.
Daily Vehicle Maintenance Report – Interior, Exterior & Under the Hood Inspections.

Cathodic Protection:

Weekly Monitoring of Rectifiers
Assist with GIS system updates for 42” line and the Corporations
Continue to assist with locates for STWA
Updating diamond maps to assist with correcting water line locations for all corps.
Assist with Noemi and the Lead and Copper Inventory

During the Week of December 8th 2025:

Admin:

Review GPS records
Update Daily Water Loss
TRWA Apprenticeship Weekly Hours Update (Noe Moreno)
Basic Water Training/Locate Training/CSI Training/ Standard Operation
Procedure Training.

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC
Meter Run @ Office
Weekly CL17 Verification
Locates – STWA, RWSC, NWSC
Completed Service Orders for NWSC and RWSC
Completed Taps - (0)
Leaks repaired– (0)

Safety & Maintenance:

Safety Meeting:
**(Open Crew discussions on all aspects of preventative maintenance, which
includes time for any Q&A.) (JSA preventative hazard safety meeting to
address any potential hazard.)**
Generators – Exercise Transfer Switch.
Weekly Preventative Maintenance – Heavy equipment, Lawn care equipment,
Leak equipment, Pump-station equipment, Tap equipment.
Daily Vehicle Maintenance Report - Interior, Exterior & Under the hood
Inspections.

Cathodic Protection:

Weekly Monitoring of Rectifiers
Assist with GIS system updates for 42” line and the Corporations
Continue to assist with locates for STWA
Updating diamond maps to assist with correcting water line locations for all
corps.
Assist with Noemi and the Lead and Copper Inventory

During the Week of December 15th 2025:

Admin:

Review GPS records
City gallons report
Update Daily Water Loss
TRWA Apprenticeship Hour Updates (Noe Moreno)
Basic Water Training/Locate Training/CSI Training/Standard Operation
Procedure Training.

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor Residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC
Meter Run @ Office
Lockouts NWSC & RWSC
Weekly CL 17 Verification.
Locates – STWA, RWSC, NWSC
Completed service orders for NWSC and RWSC
Completed Taps – (0)
Leaks repaired – (0)

Safety & Maintenance:

Safety Meeting:
**(Open crew discussion of safety concerns, Crew discussions on all aspects of
preventative maintenance, which includes time for any Q&A.) (JSA
preventative hazard safety meeting to address any potential hazard.)**
Generators – Exercise Transfer Switch
Weekly Preventative Maintenance – Heavy Equipment, Lawn care equipment,
Leak equipment, Pump-station equipment, Tap equipment.
Daily Vehicle Maintenance Report - Interior, Exterior & Under the Hood
Inspections

Cathodic Protection:

Weekly Monitoring of Rectifiers
Assist with GIS system updates for 42” line and the Corporations
Continue to assist with locates for STWA
Updating diamond maps to assist with correcting water line locations for all
corps.
Assist with Noemi and the Lead and Copper Inventory

During the Week of December 22nd 2025:

Admin:

Left foreman in charge during O&M absence
Review GPS records
Update Daily Water Loss
TRWA Apprenticeship Hour Updates (Noe Moreno)
Basic Water Training/Locate Training/CSI Training/Standard Operation
Procedure Training.

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor Residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC
Meter Run @ Office
Lockouts NWSC & RWSC
Weekly CL 17 Verification.
Locates – STWA, RWSC, NWSC
Completed service orders for NWSC and RWSC
Completed Taps – (0)
Leaks repaired – (0)

Safety & Maintenance:

Safety Meeting:
**(Open crew discussion of safety concerns, Crew discussions on all aspects of
preventative maintenance, which includes time for any Q&A.) (JSA
preventative hazard safety meeting to address any potential hazard.)**
Generators – Exercise Transfer Switch
Weekly Preventative Maintenance – Heavy Equipment, Lawn care equipment,
Leak equipment, Pump-station equipment, Tap equipment.
Daily Vehicle Maintenance Report - Interior, Exterior & Under the Hood
Inspections

Cathodic Protection:

Weekly Monitoring of Rectifiers
Assist with GIS system updates for 42” line and the Corporations
Continue to assist with locates for STWA
Updating diamond maps to assist with correcting water line locations for all
corps.
Assist with Noemi and the Lead and Copper Inventory

During the Week of December 29th 2025:

Admin:

Left foreman in charge during O&M absence
Review GPS records
Update Daily Water Loss
TRWA Apprenticeship Hour Updates (Noe Moreno)
Basic Water Training/Locate Training/CSI Training/Standard Operation
Procedure Training.

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor Residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC
Meter Run @ Office
Lockouts NWSC & RWSC
Weekly CL 17 Verification.
Locates – STWA, RWSC, NWSC
Meter Readings – NWSC, RWSC
Completed service orders for NWSC and RWSC
Completed Taps – (0)
Leaks repaired – (0)

Safety & Maintenance:

Safety Meeting:
**(Open crew discussion of safety concerns, Crew discussions on all aspects of
preventative maintenance, which includes time for any Q&A.) (JSA
preventative hazard safety meeting to address any potential hazard.)**
Generators – Exercise Transfer Switch
Weekly Preventative Maintenance – Heavy Equipment, Lawn care equipment,
Leak equipment, Pump-station equipment, Tap equipment.
Daily Vehicle Maintenance Report - Interior, Exterior & Under the Hood
Inspections
Annual Generator Checklist Inspection

Cathodic Protection:

Weekly Monitoring of Rectifiers
Assist with GIS system updates for 42” line and the Corporations
Continue to assist with locates for STWA
Updating diamond maps to assist with correcting water line locations for all
corps.
Assist with Noemi and the Lead and Copper Inventory

During the Week of January 5th 2026:

Admin:

- Left foreman in charge during O&M absence
- Review GPS records
- Update Daily Water Loss
- City Gallons Report
- DLQOR Report
- TRWA Apprenticeship Hour Updates (Noe Moreno)
- Basic Water Training/Locate Training/CSI Training/Standard Operation Procedure Training.

Operations:

- Collect/Monitor NAP samples – STWA, RWSC & NWSC
- Monitor Residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC Meter Run @ Office
- Lockouts NWSC & RWSC
- Weekly CL 17 Verification.
- Locates – STWA, RWSC, NWSC
- Completed service orders for NWSC and RWSC
- Completed Taps – (0)
- Leaks repaired – (1)

Safety & Maintenance:

- Safety Meeting:
(Open crew discussion of safety concerns, Crew discussions on all aspects of preventative maintenance, which includes time for any Q&A.) (JSA preventative hazard safety meeting to address any potential hazard.)
- Generators – Exercise Transfer Switch
- Weekly Preventative Maintenance – Heavy Equipment, Lawn care equipment, Leak equipment, Pump-station equipment, Tap equipment.
- Daily Vehicle Maintenance Report - Interior, Exterior & Under the Hood Inspections

Cathodic Protection:

- Weekly Monitoring of Rectifiers
- Assist with GIS system updates for 42” line and the Corporations
- Continue to assist with locates for STWA
- Updating diamond maps to assist with correcting water line locations for all corps.
- Assist with Noemi and the Lead and Copper Inventory

During the Week of January 12th 2026:

Admin:

Left foreman in charge during O&M absence
Review GPS records
Update Daily Water Loss
TRWA Apprenticeship Hour Updates (Noe Moreno)
Basic Water Training/Locate Training/CSI Training/Standard Operation
Procedure Training.

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor Residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC
Meter Run @ Office
Lockouts NWSC & RWSC
Weekly CL 17 Verification.
Locates – STWA, RWSC, NWSC
Completed service orders for NWSC and RWSC
Completed Taps – (0)
Leaks repaired – (0)

Safety & Maintenance:

Safety Meeting:
**(Open crew discussion of safety concerns, Crew discussions on all aspects of
preventative maintenance, which includes time for any Q&A.) (JSA
preventative hazard safety meeting to address any potential hazard.)**
Generators – Exercise Transfer Switch
Weekly Preventative Maintenance – Heavy Equipment, Lawn care equipment,
Leak equipment, Pump-station equipment, Tap equipment.
Daily Vehicle Maintenance Report - Interior, Exterior & Under the Hood
Inspections

Cathodic Protection:

Weekly Monitoring of Rectifiers
Assist with GIS system updates for 42” line and the Corporations
Continue to assist with locates for STWA
Updating diamond maps to assist with correcting water line locations for all
corps.
Assist with Noemi and the Lead and Copper Inventory

During the Week of January 19th 2026:

Admin:

O&M Return from Leave
Review GPS records
Update Daily Water Loss
TRWA Apprenticeship Hour Updates (Noe Moreno)
Basic Water Training/Locate Training/CSI Training/Standard Operation
Procedure Training.
STWA TCEQ Inspection

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor Residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC
Meter Run @ Office
Lockouts NWSC & RWSC
Weekly CL 17 Verification.
Locates – STWA, RWSC, NWSC
Completed service orders for NWSC and RWSC
Completed Taps – (0)
Leaks – (1)

Safety & Maintenance:

Safety Meeting:
**(Open crew discussion of safety concerns, Crew discussions on all aspects of
preventative maintenance, which includes time for any Q&A.) (JSA
preventative hazard safety meeting to address any potential hazard.)**
Generators – Exercise Transfer Switch
Weekly Preventative Maintenance – Heavy Equipment, Lawn care equipment,
Leak equipment, Pump-station equipment, Tap equipment.
Daily Vehicle Maintenance Report - Interior, Exterior & Under the Hood
Inspections

Cathodic Protection:

Weekly Monitoring of Rectifiers
Assist with GIS system updates for 42” line and the Corporations
Continue to assist with locates for STWA
Updating diamond maps to assist with correcting water line locations for all
corps.
Assist with Noemi and the Lead and Copper Inventory

During the Week of January 26th 2026:

Admin:

Review GPS records
Update Daily Water Loss
TRWA Apprenticeship Hour Updates (Noe Moreno)
Basic Water Training/Locate Training/CSI Training/Standard Operation
Procedure Training.

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor Residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC
Meter Run @ Office
DR900 Calibrations
Lockouts NWSC & RWSC
Weekly CL 17 Verification.
Locates – STWA, RWSC, NWSC
Completed service orders for NWSC and RWSC
Completed Taps – (2)
Leaks Repaired – (2)

Safety & Maintenance:

Safety Meeting:
**(Open crew discussion of safety concerns, Crew discussions on all aspects of
preventative maintenance, which includes time for any Q&A.) (JSA
preventative hazard safety meeting to address any potential hazard.)**
Generators – Exercise Transfer Switch
Weekly Preventative Maintenance – Heavy Equipment, Lawn care equipment,
Leak equipment, Pump-station equipment, Tap equipment.
Daily Vehicle Maintenance Report - Interior, Exterior & Under the Hood
Inspections

Cathodic Protection:

Weekly Monitoring of Rectifiers
Assist with GIS system updates for 42” line and the Corporations
Continue to assist with locates for STWA
Updating diamond maps to assist with correcting water line locations for all
corps.
Assist with Noemi and the Lead and Copper Inventory

During the Week of February 2nd 2026:

Admin:

- Review GPS records
- Update Daily Water Loss
- City Gallons Report
- TRWA Apprenticeship Hour Updates (Noe Moreno)
- Basic Water Training/Locate Training/CSI Training/Standard Operation Procedure Training.

Operations:

- Collect/Monitor NAP samples – STWA, RWSC & NWSC
- Monitor Residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC Meter Run @ Office
- Schedule for Tank Inspection 2026
- Lockouts NWSC & RWSC
- Weekly CL 17 Verification.
- Locates – STWA, RWSC, NWSC
- Completed service orders for NWSC and RWSC
- Completed Taps – (0)
- Leaks repaired – (1)

Safety & Maintenance:

- Safety Meeting:
(Open crew discussion of safety concerns, Crew discussions on all aspects of preventative maintenance, which includes time for any Q&A.) (JSA preventative hazard safety meeting to address any potential hazard.)
- Generators – Exercise Transfer Switch
- Weekly Preventative Maintenance – Heavy Equipment, Lawn care equipment, Leak equipment, Pump-station equipment, Tap equipment.
- Daily Vehicle Maintenance Report - Interior, Exterior & Under the Hood Inspections
- Annual Truck inspection – including truck inventory

Cathodic Protection:

- Weekly Monitoring of Rectifiers
- Assist with GIS system updates for 42” line and the Corporations
- Continue to assist with locates for STWA
- Updating diamond maps to assist with correcting water line locations for all corps.
- Assist with Noemi and the Lead and Copper Inventory.
- Meet with ICE for Assessments of ARVs.

Current Projects:

-Working with ICE on ARV assessment. Have had a couple corrosion leaks during contractor pressure washing ARVs on ¾ fittings but have been repaired as of 2/3/2026

-Continue to revise GIS Digital maps to improve coordinates of water lines, meter locations, valves, ARVs, Dead-end mains and pump stations.

-Working on improvements of SCADA system for quick response time for alerts to address issues before they occur. Pursuing new cellular comms currently using radio comms which is unstable. Update as of 2/1/2026 devices are pending final review from programmer and will ship once complete no ETA as of yet.

-Working on a Field Guide with SOP procedures for field staff in training to have a checklist to help guide them during an emergency situation. (partial complete as of 2/3/2026).

Noe Moreno – failed CSI and resubmitted to retest as of 2/9/2026

Victor Deleon – failed basic water test and currently waiting on TCEQ for reapproval as of 2/3/2026

Joseph Lucas Perez – awaiting application approval from TCEQ to set up for basic water course.

Zack Elliott – Scheduling for customer service inspection course as of 02/3/2026

David Sendejo – pending courses until further notice.

Patrick and Victor Gutierrez Scheduling test after hours are met by TCEQ for approval letter for Class B licenses for O&M and Field Supervisor.

Victor Gutierrez – Scheduling B License Distribution test as of 2/23/2026

-Scheduling service taps and extensions has been challenging due to staff availability amongst many other tasks TCEQ has continued to add on top of our day-to-day operations.

2 additional new hires will be starting on December 1st. Still looking for one Cathodic Protection Tech.

-Additional booster is needed at CR 4 between Bishop and Kingsville to help maintain residual south into RWSC would be helpful to reduce TTHMs and to minimize flushing needed to stay in compliance with TCEQ. Working with ICE on this for resolution.

-working on replacing pumps in Agua Dulce one pump active the other is offline due to impeller failure; both need to be replaced. Currently waiting on bids from vendors. Update 6-8 weeks lead time.

CP Report:

Hiring for Cathodic protection candidate. The CP assistant has been maintaining rectifiers, locates, data collection on 42” pipeline, working valves and maintain easement. 42” Potential Readings scheduled for Feb 17th 2026.

ATTACHMENT 6

Board Compensation

Memo

TO: South Texas Water Authority Board of Directors
FROM: John Marez, Executive Director
DATE: February 5, 2026
Re: **Discussion and possible action on Board of Directors' Compensation**

Background:

Section 49.060 of the Texas Water Code authorizes the Board of Directors of a water authority to adopt a resolution providing compensation for directors for each day spent performing official duties, subject to a statutory maximum. The statute permits compensation not to exceed \$150 per day and not to exceed \$7,200 per director per year.

The Authority previously adopted a director compensation rate that is below the statutory maximum. The proposed resolution updates and formalizes director fees consistent with state law and provides clear administrative guidance for eligibility, documentation, and reimbursement of expenses incurred while conducting official Authority business.

Analysis:

The proposed resolution authorizes payment of director fees for each day a director performs official duties related to Authority governance, including Board and committee meetings, authorized training, and other approved activities. The resolution also clarifies reimbursement procedures for reasonable and necessary expenses incurred on behalf of the Authority.

Compensation limits remain fully compliant with Texas Water Code requirements, including the annual statutory cap per director. Establishing this structure ensures transparency, consistency, and proper documentation for director service and reimbursements.

Fiscal Impact:

Director compensation shall not exceed \$7,200 per director annually in accordance with the Texas Water Code. The current annual amount was set at \$750 annually.

The total budgeted amount for all director compensation and reimbursements for the current fiscal year is \$10,000, and expenditures will be managed within this approved budget allocation.

Staff Recommendation:

Staff recommends approval of the resolution authorizing director fees and expense reimbursements consistent with state law and the fiscal limits outlined above.

Board Action:

Approve the resolution to correct the previous maximum cap from \$750.00 annually to reflect the state's amount of \$7,200 per year.

Summary:

Approval of this resolution updates and clarifies the Authority's director compensation policy, aligns with Texas statutory requirements, and provides a transparent and fiscally responsible framework for compensating directors for their service to the South Texas Water Authority.

ATTACHMENT 7

Resolution 26-01

SOUTH TEXAS WATER AUTHORITY

Resolution 26-01

RESOLUTION AUTHORIZING DIRECTOR'S FEES

WHEREAS, Section 49.060, Texas Water Code, as amended authorizes the Board of Directors (the "Board") of South Texas Water Authority (the "Authority") to adopt a resolution authorizing the payment of fees of office for directors not to exceed One Hundred Fifty Dollars (\$150.00) a day for each day the director actually spends performing the duties of a director and not to exceed Seven Thousand Two Hundred Dollars (\$7,200.00) per annum; and

WHEREAS, on February 25, 2014, the Board adopted Resolution 14-01 authorizing the payment of fees of office for directors in the amount of \$10.00 a day for each day a director actually spends performing the duties of a director, not to exceed \$200.00 per annum.

WHEREAS, on September 28, 2021, the Board adopted Resolution 21-26 authorizing the payment of fees of office for directors in the amount of \$50.00 a day for each day a director actually spends performing the duties of a director, not to exceed \$750.00 per annum.

WHEREAS, the Board desires to adopt a resolution authorizing the payment of fees of office for directors in the amount of \$_____ a day for each day a director actually spends performing the duties of a director, not to exceed \$_____ per annum.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTH TEXAS WATER AUTHORITY THAT:

Section 1: A director of the Authority is entitled to receive fees of office in the amount of \$_____ a day for each day a director actually spends performing the duties of a director. The fees of office hereby authorized may not exceed \$_____ per fiscal year.

Section 2: "Performing the duties of a director" means performance of the management or business of the Authority, including participation in Board and Committee meetings and other activities involving the deliberation of Authority business and in pertinent educational programs. The phrase does not include routine or administrative activities such as the execution of documents, self-preparation for meetings, or other activities requiring a minimum amount of time.

Section 3: A director of the Authority is entitled to receive reimbursement of actual expenses reasonably and necessarily incurred while engaging in activities on behalf of the Authority.

Section 4: In order to receive fees of office and to receive reimbursement for expenses, each director shall file with the Authority a verified statement showing the number of days actually spent in the service of the Authority and a general description of the duties performed for each day of service.

PASSED AND APPROVED this 10th day of February, 2026.

JOSE M. GRAVELEY, PRESIDENT

ATTEST:

IMELDA GARZA, SECRETARY/TREASURER

ATTACHMENT 8

BMS Asset Manager Module Purchase

Memo

TO: South Texas Water Authority Board of Directors
FROM: John Marez, Executive Director
DATE: February 5, 2026
Re: **Asset Management Software – Black Mountain Software Module**

Background:

Staff evaluated the Asset Manager module offered by Black Mountain Software, the Authority's current financial software provider. The module is designed specifically for local governments and utilities to track capital and non-capital assets, automate depreciation, and integrate directly with the general ledger.

Analysis:

The system provides tracking from acquisition through disposal and includes automated depreciation calculations, audit-ready reporting schedules, asset tagging and location tracking, insurance replacement value updates, and documentation features. Integration with our existing accounting platform reduces duplicate data entry, improves reporting accuracy, and strengthens internal controls. Implementation will streamline annual audits and improve asset accountability.

Fiscal Impact:

The vendor quote includes a \$2,275 one-time data conversion charge, plus the cost of the Asset Manager software module.

Staff Recommendation:

Staff recommends approval to purchase and implement the Black Mountain Software Asset Manager module to enhance asset tracking, reporting accuracy, and audit readiness.

Board Action:

Consider and take action to authorize the Executive Director to procure and implement the Black Mountain Software Asset Manager module, including the associated one-time conversion and software costs.

Summary:

Implementation of the Asset Manager module will strengthen financial controls, improve compliance, and provide a centralized, integrated solution for managing Authority assets while leveraging the Authority's existing software platform.

Black Mountain Software

From Tracy Frank <tracyf@blackmountainsoftware.com>
Date Tue 1/20/2026 11:20 AM
To August Patroelj <apatroelj@stwa.org>

1 attachment (2 MB)
South Texas Water Authority - Asset Manager - Quote-1.pdf;

August,

Thank you for calling me back. Please find attached the updated quote. Once the board approves, please have your designee sign the last page and then send back the entire quote to me.

Please let me know if you have any questions or need anything else.

Have a great day!

Tracy



TRACY FRANK
SALES & MARKETING SPECIALIST

800.353.8829 | DIRECT 406.888.1111

BLACKMOUNTAINSOFTWARE.COM

110 MAIN ST, STE 3 | POLSON, MT



BLACK MOUNTAIN
SOFTWARE

PRICE PROPOSAL FOR
South Texas Water Authority, TX

Prepared by:
Tracy Frank
Sales & Marketing Specialist

2026-01-20 | Pricing Valid for 90 Days

PRICE QUOTE

Issued
2026-01-20

To view a summary of all our solutions, please visit our [website](#) or [application catalog](#).

Prepared for:
South Texas Water Authority, TX
August Patroelj
apatroelj@stwa.org

Products

	Price	Quantity	Total
Asset Manager	\$1,670.00 per year	1	\$1,670.00 per year
Product Information Sheet			
		Section total	\$1,670.00

One Time Products

	Price	Quantity	Total
Asset Manager - Conversion	\$605.00	1	\$605.00
		Section total	\$605.00
		Total	\$2,275.00

TERMS & CONDITIONS

1. This Quote is governed by and subject to the Master Services Agreement between Customer and BMS ("MSA"). Capitalized terms used in this Quote and not defined herein have the meanings provided in the MSA.
2. BMS has made efforts to ensure the information contained within this Quote is complete and accurate. However, BMS reserves the right to correct any error or omission related to fees, product description or availability.
3. Fees quoted in this Quote do not reflect sale or use taxes imposed by any state or local government, or any unit or subdivision thereof; such taxes are Customer's responsibility. Customer agrees to be responsible for the documentation relating to the payment of such taxes to the maximum extent legally permitted. BMS will be responsible for the collection of such taxes and/or the documentation related thereto, only to the extent required by law.
4. New Customers must pay BMS all one-time fees and costs (implementation fees and conversion fees) to reserve a spot on BMS's implementation schedule. BMS will invoice Customer for all ongoing fees when work commences on Customer's project, and that date determines the renewal date of this Quote. Existing Customers purchasing additional modules will be billed upon commitment as follows: one-time fees billed in full upon commitment; and annual fees prorated to coincide with the annual renewal date.
5. The implementation fee is a one-time charge that includes the cost of implementation planning and consulting, preparation of the software for delivery, initial training, and communications throughout the startup process.
6. Initial training is included with the Services provided for each Hosted Service listed above. Unless specifically arranged, initial training will be conducted online. After initial training, free online training is always available for Customer and its employees as part of the Support fee. Advanced scheduling is required. Except for initial training, hourly charges apply for training physically provided onsite (Customer offices) or in house (BMS offices).
7. Annual fees include Support as set forth in the MSA.
8. All fees are non-refundable. Fees are subject to change.

9. Upon termination for any reason, Customer will pay within thirty (30) days all amounts remaining unpaid for Services rendered under this Quote.
10. If travel is required, actual expenses are billed as follows: When flying, charges include airfare, travel time at \$35 per hour per person, meals at Federal daily rate for the area, lodging at local rates, and rental car. When driving, charges include mileage at 65.5¢ per mile, travel time at 45¢ per mile per person, meals at the Federal daily rate for the area, and lodging at local rates.
11. All Hosted Services are multi-user, with an unlimited number of licenses (seats). In addition, 'Read Only' access is available to limit data changes for specified users, while still providing lookup and printing capabilities.

Signatures

Printed Name:	
Title:	
Signature:	
Date:	

Printed Name:	
Title:	
Signature:	
Date:	

ATTACHMENT 9

Resolution 26-02

SOUTH TEXAS WATER AUTHORITY

Resolution 26-02

RESOLUTION APPOINTING FRANCES DE LEON AND AUGUST PATROELJ TO SERVE AS ASSISTANT SECRETARIES FOR THE SOUTH TEXAS WATER AUTHORITY.

WHEREAS, the Secretary/Treasurer is required to keep regular books and to keep minutes of all meetings of Members and Directors, and

WHEREAS, the Board of Directors of the South Texas Water Authority may appoint an employee as assistant or deputy secretary to assist the Secretary in all official duties pertaining to the office of Secretary.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the South Texas Water Authority appoints Frances De Leon and August Patroelj as Assistant Secretaries of the Authority.

Duly adopted this 10th day of February, 2026.

JOSE M. GRAVELEY, PRESIDENT

ATTEST:

IMELDA GARZA, SECRETARY/TREASURER

ATTACHMENT 10
STWA Co-Investment Officers

Memo

TO: South Texas Water Authority Board of Directors
FROM: John Marez, Executive Director
DATE: February 6, 2026
Re: **Appointment of STWA Co-Investment Officers**

Background:

As a Texas governmental entity, the South Texas Water Authority (STWA) is required to appoint Investment Officers responsible for managing the Authority's investment portfolio in accordance with state law. The Public Funds Investment Act (PFIA) necessitates that governmental entities such as STWA have designated officials to oversee investments, ensuring they are handled prudently, transparently, and in the best interest of the Authority.

To meet this requirement, the Authority has previously appointed Jo Ella Wagner, Frances De Leon, and Valerie Garcia, the STWA had relied on only a single Investment Officer. However, given the increasing complexity of managing the Authority's finances, the growing responsibilities of this role, and the need for internal checks and balances, it is prudent to appoint two employees to serve as Co-Investment Officers. This will not only improve the oversight of the Authority's investments but also ensure continuity of operations in the event one officer is unavailable.

Analysis:

The two employees I am recommending for this responsibility are August Patroelj and Clarissa Vargas. Both employees have demonstrated a high degree of professionalism, a strong understanding of financial management, and a commitment to the mission of the Authority. Their combined skills will provide a balanced approach to investment management and ensure compliance with the PFIA.

Key responsibilities of the Co-Investment Officers will include:

- Overseeing the day-to-day management of the Authority's investment portfolio.
- Ensuring compliance with STWA's investment policy and the PFIA.
- Regularly reporting investment performance to the Board.
- Ensuring liquidity for operational needs while maximizing returns within the allowable risk tolerance.

Fiscal Impact:

None

Staff Recommendation:

Recommend Board approval designating Mr. Patroelj and Ms. Vargas to serve as Co-Investment Officers for the South Texas Water Authority, effective immediately. Both employees have completed the necessary training as required under the PFIA to ensure full compliance.

Board Action:

Accept appointment of both Co-Investment Officers. A resolution is provided after this item as an official designation of the two.

Summary:

In compliance with the Public Funds Investment Act, it is necessary for STWA to have designated Investment Officers. Appointing Ms. Deleon and Ms. Garcia as Co-Investment Officers will enhance the management and oversight of the Authority's investments while ensuring continuity and adherence to state law. They will serve in the Investment Officer role in the absence of Jo Ella Wagner.

ATTACHMENT 11

Resolution 26-03

SOUTH TEXAS WATER AUTHORITY

Resolution 26-03

RESOLUTION APPOINTING AUGUST PATROELJ AND CLARISSA VARGAS AS THE AUTHORITY'S CO-INVESTMENT OFFICERS.

WHEREAS, the Administrative Policies of the South Texas Water Authority entrusts the operations of the Authority to the Executive Director, and

WHEREAS, the Finance Manager was named as the Authority's Co-Investment officer on December 17, 1998, and

WHEREAS, the Business Manager was named as a Co-Investment officer on October 29, 2024, and

WHEREAS, the Finance Manager, Business Manager and the Accounting Assistant have received continuing education in order to handle the Authority's investments, and

WHEREAS, the investments of the Authority are part of the normal business of the Authority.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the South Texas Water Authority appoints August Patroelj and Accounting Assistant Clarissa Vargas as the Co-Investment Officers of the Authority.

Duly adopted this 10th day of February, 2026.

JOSE M. GRAVELEY, PRESIDENT

ATTEST:

IMELDA GARZA, SECRETARY/TREASURER

ATTACHMENT 12

Appointment of Assistant Executive Director

Memo

TO: South Texas Water Authority Board of Directors
FROM: John Marez, Executive Director
DATE: February 5, 2026
Re: **Appointment of Assistant Executive Director**

Background:

The STWA's Assistant Executive Director Jo Ella Wagner, has announced her retirement effective March 13, 2026. Ms. Wagner has provided many years of dedicated service to the Authority and has played a critical role in the financial and administrative operations of the organization.

With her upcoming retirement, the Authority must ensure continuity of leadership and operational stability within management. The Assistant Executive Director position supports executive oversight of finance, administration, and daily operations and serves as a key resource for succession planning and stability for the organizational. Previously, when this role was created the Board has designated this appointment.

Analysis:

Maintaining continuity within the Authority's management structure is essential to avoid operational disruption and preserve institutional knowledge during leadership transitions. Filling this role in advance of Ms. Wagner's departure will allow for knowledge transfer, cross-training, and a smoother transition.

STWA Business Manager Frances De Leon, has demonstrated strong performance, institutional knowledge, and leadership capacity in managing the Authority's corporate and administrative functions. Her experience and familiarity with the Authority's operations position her well to assume the expanded responsibilities of Assistant Executive Director while continuing to support the business office.

Appointing an internal candidate promotes stability, minimizes onboarding time, and supports succession planning objectives.

Fiscal Impact:

The Board should consider a salary adjustment to reflect the increased scope of responsibilities, expectations, and leadership duties associated with the Assistant Executive Director role. Any adjustment would be based on experience, additional duties, and internal equity considerations.

Funding for this adjustment can be addressed within the Authority's personnel budget during the upcoming budget cycle.

Staff Recommendation:

Appoint Frances De Leon as Assistant Executive Director and authorize a corresponding salary adjustment commensurate with the additional duties and responsibilities of the position.

Board Action:

Consider and take action to appoint Frances De Leon as Assistant Executive Director and approve any related compensation adjustment as determined appropriate by the Board.

Summary:

This appointment supports management continuity, preserves institutional knowledge, and ensures stable leadership following Ms. Wagner's retirement while strengthening the Authority's succession planning efforts.

ATTACHMENT 13

CP Technician Transfer to Field Technician

Memo

TO: South Texas Water Authority Board of Directors
FROM: John Marez, Executive Director
DATE: February 5, 2026
Re: Transfer of Cathodic Protection Technician Position to Field Technician Position

Background:

Staff has identified the need for additional operational support within field operations due to increased workload demands across the Authority and the two affiliated water supply corporations served under current management contracts.

Analysis:

Both corporations have experienced growth in new customer connections, increased regulatory sampling and compliance requirements mandated by the Texas Commission on Environmental Quality (TCEQ), and continued maintenance challenges associated with aging infrastructure. These factors have increased the volume of field service calls, inspections, repairs, and operational support activities. The existing Cathodic Protection Technician position remains budgeted but has not been filled. Converting this vacant position to a Field Technician role allows the Authority to address operational needs without creating a new position or identifying additional funding, while improving response times, compliance efforts, and service reliability.

Fiscal Impact:

The Cathodic Protection Technician position is already included in the current budget and remains vacant. The transfer to a Field Technician position will not require additional funding or create new budget impacts.

Staff Recommendation:

Staff recommends approval to reclassify and transfer the vacant Cathodic Protection Technician position to a Field Technician position to better support operational and compliance needs.

Board Action:

Consider and take action to authorize the transfer and reclassification of the vacant Cathodic Protection Technician position to a Field Technician position.

Summary:

Reallocating this existing budgeted position provides a cost-neutral solution to strengthen field operations, improve service delivery, and maintain regulatory compliance while supporting the growing operational needs of the Authority and its partner corporations.

ATTACHMENT 14

Seven Seas

Memo

To: South Texas Water Authority Board of Directors
From: John Marez, Executive Director
Date: February 5, 2026
Re: **Update on Seven Seas Water Group Project**

Background:

The South Texas Water Authority (STWA) continues to work with Seven Seas Water Group (SSWG) on the development of a brackish groundwater desalination project located in the area near Driscoll. Seven Seas Water Group is a leading Public-Private Partnership (P3) provider of Water-as-a-Service® systems with over 220 operational water and wastewater treatment plants, delivering more than 20 billion gallons annually. The company has extensive experience in water production, treatment, and regulatory compliance across Texas and internationally.

Currently the STWA and Seven Seas have a contract to finalize the exploration and ultimate production of brackish water to serve as an additional water supply for the STWA'S wholesale water system.

During the January 20, 2026 Board Meeting the prior proposed SSWG Amended Contract was tabled.

Analysis:

The proposed facility is designed to draw from deep, sustainable brackish aquifers containing water exceeding 2,000 total dissolved solids (TDS). The project's wellfield design anticipates between 10–20 production wells and 3–4 injection wells, situated at depths ranging from 4,000–7,000 feet. Injection wells will ensure zero surface discharge of brine, meeting environmental and regulatory standards. Under the proposed agreement, Seven Seas assumes full responsibility for financing, permitting, design, construction, and operation of the plant. STWA will only pay for water that meets or exceeds Texas Commission on Environmental Quality (TCEQ) standards, on a per-thousand-gallon basis. The price per kgal (1,000/gallons) will include all operational and maintenance expenses and will be subject to an annual CPI (Consumer Price Index) adjustment. The project schedule projects initial water delivery within 27 months following contract execution, with production ramping from 50% to 100% capacity during the first six months of operation.

Staff Recommendation:

Staff recommends continued collaboration with Seven Seas Water Group as they finalize permitting, financing, and design documentation for the project. The Authority's responsibilities are asked to maintain oversight of operational standards, cost structures, and regulatory compliance to ensure the long-term sustainability and affordability of this alternative water source.

Board Action:

Receive presentation and provide any direction to staff to maintain or modify the current agreement.

Summary:

The Seven Seas Water Group project remains a practical and forward-looking solution to strengthen STWA's regional water supply. The proposed brackish desalination facility will reduce dependency on surface water and provide drought-resilient capacity through a cost-controlled, performance-based partnership model.

The SSWG Amended Contract is now being brought back for further legal updates and possible action.