

NUECES WATER SUPPLY CORPORATION

MEMORANDUM

TO: NWSC Membership
FROM: Sherry Zimmerman, President
DATE: March 7, 2025
SUBJECT: Annual Membership Meeting

An Annual Membership meeting of the Nueces Water Supply Corporation is scheduled for:

Tuesday, April 8, 2025

2:00 p.m.

South Texas Water Authority Boardroom
2302 East Sage Road, Kingsville, Texas

Agenda

1. Call to order.
2. Citizen comments.
3. Approval of 2024 Annual Membership Meeting minutes.
4. Election of Directors/Resolution 25-01 declaring unopposed candidate of Nueces Water Supply Corporation elected.
5. Review of proposed audit for Fiscal Year 2024.
6. **Resolution 25-02.** Resolution accepting the Fiscal Year 2024 audit prepared by John Womack & Co., P.C. of Kingsville.
7. Adjournment.

All pertinent documents will be available for inspection at the meeting.

SZ/JM/fdl

This meeting notice was posted on
NWSC's website, www.nueceswsc.com, and
on indoor and outdoor bulletin boards at
NWSC's administrative offices,
2302 East Sage Road, Kingsville, Texas at
4:00 am on April 4, 2025
Juanes De Leon
Assistant Secretary

NUECES WATER SUPPLY CORPORATION
Annual Meeting Minutes
April 9, 2024

Board Members Present:

Alice J. Black (Phone)
Kathleen Lowman
Sherry Zimmerman
Samuel Arciniega

Board Members Absent:

None

Membership Present:

Staff Present:

John Marez
Frances De Leon
Jo Ella Wagner
Patrick Sendejo

None

Guests Present (Zoom):

Rogelio Rodriguez, Water Finance Exchange
Ivan Luna, I.C.E.
Angie Flores, Raftelis

1. Call to Order.

Ms. Black called the Annual Meeting to order at 2:04 p.m. at the South Texas Water Authority offices in Kingsville, Texas. A quorum was present.

2. Citizen comments.

Ms. Black opened the floor to citizen comments. No citizen comments were made.

3. Approval of 2023 Annual Membership Meeting Minutes.

The minutes of the April 11, 2023 Annual Meeting were presented for approval. Ms. Lowman made a motion to approve the minutes as presented. Mr. Arciniega seconded the motion and all voted in favor.

4. Review of proposed audit for Fiscal Year 2023.

Mr. Marez reported that the audit was not ready for presentation but would be presented at the next meeting.

5. Resolution 24-01. Resolution accepting the Fiscal Year 2023 Audit prepared by John Womack & Co., P.C. of Kingsville.

Ms. Lowman made a motion to table Resolution 24-01 until the audit is ready for presentation. Mr. Arciniega seconded the motion and all voted in favor.

NWSC Annual Meeting Minutes

April 9, 2024

Page 2

6. Adjournment.

With no further business to conduct, Ms. Lowman made a motion to adjourn the meeting at 2:08 p.m. Mr. Arciniega seconded. All voted in favor.

Respectfully submitted,


Frances De Leon
Assistant Secretary

NUECES WATER SUPPLY CORPORATION

Resolution 25-01

RESOLUTION DECLARING UNOPPOSED CANDIDATES OF NUECES WATER SUPPLY CORPORATION ELECTED

WHEREAS, Nueces Water Supply Corporation posted notice of the opportunity for candidates to submit applications to run for four (4) positions on its Board of Directors pursuant to Texas Water Code Section 67.0052(b); and

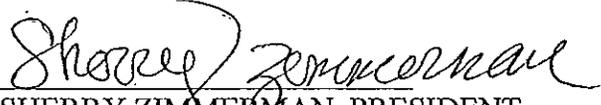
WHEREAS, only three (3) persons submitted an application for these open positions, thus creating an unopposed election for each position pursuant to Texas Water Code Section 67.0055;

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF NUECES WATER SUPPLY CORPORATION DECLARES ELECTED TO THESE POSITIONS:

Kathleen Lowman
Samuel Arciniega Jr.
Tanya Lawhon

The Board of Directors so orders that this resolution be posted at the Corporation's main office and read into the record at the Corporation's annual meeting, pursuant to Texas Water Code Section 67.0055.

PASSED AND APPROVED this 25th day of February, 2025.


SHERRY ZIMMERMAN, PRESIDENT

ATTEST:


KATHLEEN LOWMAN, SECRETARY/TREASURER



NUECES WATER SUPPLY CORPORATION

Resolution 25-02

A RESOLUTION ACCEPTING THE FISCAL YEAR 2024 AUDIT PREPARED BY JOHN WOMACK & CO., P.C. OF KINGSVILLE, TEXAS.

WHEREAS, the Nueces Water Supply Corporation is a functioning Water Supply Corporation organized under Article 1434a of the Revised Civil Statutes of Texas of 1925, and

WHEREAS, an annual audit is part of generally accepted accounting principles and is highly recommended by the Texas Commission on Environmental Quality, and

WHEREAS, the Corporation has received and reviewed the Fiscal Year 2024 Audit.

NOW, THEREFORE, BE IT RESOLVED that the Nueces Water Supply Corporation accepts the Fiscal Year 2024 audit prepared by John Womack & Co., P.C. of Kingsville, Texas.

Duly adopted this 8th day of April, 2025.

SHERRY ZIMMERMAN, PRESIDENT

ATTEST:

KATHLEEN LOWMAN, SECRETARY/TREASURER

NUECES WATER SUPPLY CORPORATION

MEMORANDUM

TO: Nueces Water Supply Corporation Board of Directors
FROM: Sherry Zimmerman, President
DATE: March 31, 2025
SUBJECT: Nueces Water Supply Corporation Meeting Notice and Agenda

A Regular Meeting of the Nueces Water Supply Corporation Board of Directors is scheduled for:

Tuesday, April 8, 2025
Immediately after the 2:00 p.m. Annual Membership Meeting
South Texas Water Authority Boardroom
2302 East Sage Road
Kingsville, Texas

to 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.
3. Election of officers.
4. Approval of Minutes. (Attachment 1)
5. Treasurer's Report/Payment of Bills. (Attachment 2)
6. Appointment of Credentials Committee. (Attachment 3)
7. Vaquero Ventures request for service on FM 665. (Attachment 4)
 - Approval of Release of Right of Way Easement
 - Approval of Non-Standard Service Agreement
8. Amended Nueces Water Supply Corporation Water Conservation and Drought Contingency Plan. (Attachment 5)
9. **Resolution 25-03.** Resolution adopting the Amended Nueces Water Supply Corporation Water Conservation and Drought Contingency Plan. (Attachment 6)

This meeting notice was posted on
NWSC's website, www.nueceswsc.com, and
on indoor and outdoor bulletin boards at
NWSC's administrative offices,
2302 East Sage Road, Kingsville, Texas at
4:00 am/pm on April 4, 2025
Francis DeLeon
Assistant Secretary

10. NWSC Master Plan. (Attachment 7)

- Presentation
- Update on bid process for Pump Station Improvement Projects

11. Discussion on increasing the size of waterline to be extended for service to Primavera Estates. (Attachment 8)

12. General Manager's Report.

13. 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.

SZ/JM/fdl
Attachments

ATTACHMENT 1

Approval of Minutes

NUECES WATER SUPPLY CORPORATION
Minutes – Special Meeting
January 7, 2025

Board Members Present:

Kathleen Lowman
Sherry Zimmerman
Samuel Arciniega

Board Members Absent:

None

Staff Present:

John Marez
Jo Ella Wagner

Guests Present:

Dan Martinez, Winstead
Bobby Villarreal, Estrada-Hinojosa
Isaiah Huerta, Estrada-Hinojosa
Ivan Luna, I.C.E.
Rogelio Rodriguez, Water Finance Exchange

1. Call to Order.

Ms. Sherry Zimmerman, President, called the Special Meeting of the Nueces Water Supply Corporation Board of Directors to order at 5:48 p.m. at the Courthouse Annex Law Enforcement Center, 1500 E. King, Kingsville, Texas. A quorum was present.

2. Citizen comments.

No comments from the public were made.

3. Consideration and Approval of a Special Project Contract between the South Texas Water Authority and the Nueces Water Supply Corporation and other matters related thereto.

Mr. Arciniega made a motion to approve a Special Project Contract between the South Texas Water Authority and the Nueces Water Supply Corporation. Ms. Lowman seconded.

4. General Manager' Report.

Mr. Marez thanked the Boards for their cooperation and noted that it was a historical moment to have the NWSC, RWSC and STWA Boards gathering at the same place for this project.

5. Adjournment.

With no further business to conduct, Mr. Arciniega made a motion to adjourn the meeting at 5:58 p.m. Ms. Lowman seconded the motion. All voted in favor.

Respectfully submitted,


Frances De Leon
Assistant Secretary

NUECES WATER SUPPLY CORPORATION
Minutes – Regular Meeting
February 25, 2025

Board Members Present:

Kathleen Lowman
Sherry Zimmerman
Samuel Arciniega

Board Members Absent:

None

Staff Present:

John Marez
Frances De Leon
Jo Ella Wagner
Patrick Sendejo
Clarissa Vargas

Guests Present:

Marie Lucio

1. Call to Order.

Ms. Sherry Zimmerman, President, called the Regular Meeting to order at 2:11 p.m. at the South Texas Water Authority Boardroom, 2302 East Sage Road, Kingsville, Texas. A quorum was present.

2. Citizen comments.

No comments from the public were made.

3. Approval of Minutes.

Ms. Lowman made a motion to approve the minutes of the December 18, 2024 Regular Meeting as presented. Mr. Arciniega seconded. All voted in favor.

4. Treasurer's Report/Payment of Bills.

The following financial reports were presented for review and approval:

Treasurer's Report as of October 31, 2024
Account Activity for General Account for October 1, 2024 to October 31, 2024
Account Activity for Operations Account for October 1, 2024 to October 31, 2024
TEXPOOL Participant Statement for 10/01/2024 – 10/31/2024 for General Account
TEXPOOL Participant Statement for 10/01/2024 – 10/31/2024 for Security Deposit Account
Treasurer's Report as of November 30, 2024
Account Activity for General Account for November 1, 2024 to November 30, 2024
Account Activity for Operations Account for November 1, 2024 to November 30, 2024
TEXPOOL Participant Statement for 11/01/2024 – 11/30/2024 for General Account

TEXPOOL Participant Statement for 11/01/2024 – 11/30/2024 for Security Deposit Account
Treasurer's Report as of December 31, 2024
Account Activity for General Account for December 1, 2024 to December 31, 2024
Account Activity for Operations Account for December 1, 2024 to December 31, 2024
TEXPOOL Participant Statement for 12/01/2024 – 12/31/2024 for General Account
TEXPOOL Participant Statement for 12/01/2024 – 12/31/2024 for Security Deposit Account

The following bills were presented for payment:

STWA Invoice S24-188 November 2024 Water Usage, Water Cost and Handling Charge	\$35,847.65
STWA Invoice S24-189 November 2024 General and Administration	\$18,723.39
STWA Invoice S24-192 November 2024 Taps and Repairs	\$ 9,555.83
STWA Invoice S25-008 December 2024 Water Usage, Water Cost and Handling Charge	\$31,739.30
STWA Invoice S25-009 December 2024 General and Administration	\$18,906.88

Ms. Lowman made a motion to approve the financial reports and payment of the bills as presented. Mr. Arciniega seconded and all voted in favor.

5. NWSC Annual Membership Meeting.
 - Selection of Election Auditor
 - Approval of agenda and meeting packet for Annual Membership Meeting
 - Resolution 25-01. Resolution declaring unopposed candidates of Nueces Water Supply Corporation elected.

Mr. Marez reported that three Applications for Board of Director were received by the nomination deadline. He added that adoption of Resolution 25-01 will declare the candidates, Kathleen Lowman, Samuel Arciniega, Jr. and Tanya Lawhon elected. The Annual Membership Meeting is scheduled for April 8th but since no election will be held, an election auditor is not needed. The Board reviewed the meeting notice and agenda and Ms. Lowman made a motion to adopt Resolution 25-01 and approve mailing of the agenda and meeting packet for the Annual Membership Meeting. Mr. Arciniega seconded and all voted in favor.

6. NWSC Master Plan.

Mr. Marez reviewed a presentation illustrating the various projects to be addressed with the \$4,872,640 allocated to Ricardo Water Supply Corporation and the \$2,864,567 allocated to

Nueces Water Supply Corporation. He stated that he will meet with I.C.E. within the next couple of weeks to develop time frames for the bidding process. No action was taken by the Board.

7. Update on Corpus Christi Water Drought Contingency Plan.

Mr. Marez reported that the City of Corpus Christi has been discussing updates to their drought contingency plan to address ongoing water scarcity issues. He pointed out that Corpus Christi may face a water emergency if reservoir levels continue to drop. He added that proposed changes include stricter water restrictions. He said he will continue to monitor the City's updates and will keep the Board informed.

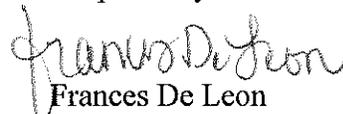
8. General Manager's Report.

Mr. Marez reported that he is close to getting the agreement with Vaquero Ventures finalized. He also reminded the Board that the next meeting is scheduled for April 8th.

9. Adjournment.

With no further business to conduct, Mr. Arciniega made a motion to adjourn the meeting at 2:41 p.m. Ms. Lowman seconded the motion. All voted in favor.

Respectfully submitted,


Frances De Leon
Assistant Secretary

ATTACHMENT 2

Treasurer's Report/Payment of Bills

Nueces Water Supply Corporation
Treasurer's Report
As of January 31, 2025

General Account - KFNB	\$31,917.69
General Account - TexPool	\$1,161,822.94
General Account - TexPool Prime	\$343,799.99
Operations Account - KFNB	\$7,990.16
Security Deposit Account - TexPool	\$146,621.05
Petty Cash	\$150.00
Cash Drawer	\$100.00
TOTAL	\$1,692,401.83

	14-Nov-24 Billing Reg.	13-Dec-24 Billing Reg.	12-Jan-25 Billing Reg.
Total Usage (Gal)	8,338,480	8,255,963	10,104,150
Water Sales (\$)	\$77,596.55	\$76,472.74	\$85,926.28
Adjustments	(\$84.29)	(\$127.63)	(\$332.04)
Turn on Charge	\$2,400.00	\$2,880.00	\$840.00
Late Charges	\$1,110.00	\$945.00	\$1,035.00
Past Due (Overpayments)	(\$2,486.03)	\$8,936.82	(\$2,093.44)
Tax	\$365.24	\$367.42	\$410.29
Leak Pay Plan	\$0.00	\$0.00	\$0.00
Total Receivables	\$78,901.47	\$89,474.35	\$85,786.09
METERS ON LINE	1112	1117	1114

Nueces Water Supply Corp.

GENERAL

JANUARY 2025

DATE	DESCRIPTION	CK NO	DEPOSIT	DISBURSE	BALANCE
01-01	BEGINNING BALANCE				\$58,745.03
01-01	ONLINE PAYMENTS	DEP	\$746.34		\$59,491.37
01-02	WATER RECEIPTS	DEP	\$1,821.36		\$61,312.73
01-02	BANK CARD	ACH		\$299.99	\$61,012.74
01-02	ONLINE PAYMENTS	DEP	\$1,698.02		\$62,710.76
01-03	WATER RECEIPTS	DEP	\$418.21		\$63,128.97
01-03	ONLINE PAYMENTS	DEP	\$2,692.78		\$65,821.75
01-04	ONLINE PAYMENTS	DEP	\$1,497.29		\$67,319.04
01-05	ONLINE PAYMENTS	DEP	\$882.49		\$68,201.53
01-06	WATER RECEIPTS	DEP	\$4,908.47		\$73,110.00
01-06	ONLINE PAYMENTS	DEP	\$3,424.95		\$76,534.95
01-07	WATER RECEIPTS	DEP	\$1,355.21		\$77,890.16
01-07	HOELSCHER ELECTRIC	4405		\$10,543.69	\$67,346.47
01-07	MERCER CONTROLS, INC.	4406		\$9,459.16	\$57,887.31
01-07	STWA- MCCOYS, QUILL, HIGHTOUCH	4407		\$1,849.58	\$56,037.73
01-07	WILLATT & FLICKINGER, PLLC	4408		\$5,548.25	\$50,489.48
01-07	ONLINE PAYMENTS	DEP	\$3,561.47		\$54,050.95
01-08	WATER RECEIPTS	DEP	\$297.36		\$54,348.31
01-08	RODRIGUEZ, R. #1411- NSF ON CSI	DEP	\$75.00		\$54,423.31
01-08	ONLINE PAYMENTS	DEP	\$1,429.03		\$55,852.34
01-09	WATER RECEIPTS	DEP	\$317.96		\$56,170.30
01-09	PEREZ, A. #1435- MEMBERSHIP	DEP	\$2,533.75		\$58,704.05
01-09	ONLINE PAYMENTS	DEP	\$1,017.36		\$59,721.41
01-10	WATER RECEIPTS	DEP	\$106.20		\$59,827.61
01-10	POSTMASTER	4409		\$2,000.00	\$57,827.61
01-10	ONLINE PAYMENTS	DEP	\$1,113.55		\$58,941.16
01-11	ONLINE PAYMENTS	DEP	\$384.26		\$59,325.42
01-12	ONLINE PAYMENTS	DEP	\$388.96		\$59,714.38
01-13	WATER RECEIPTS	DEP	\$923.21		\$60,637.59
01-13	RODRIGUEZ, J. #1436- MEMBERSHIP	DEP	\$825.00		\$61,462.59
01-13	GARCIA, F. #1032- MEMBERSHIP	DEP	\$200.00		\$61,662.59
01-13	HARRIS, C. #1437- DEV. & MEMBERSHIP	DEP	\$2,280.54		\$63,943.13
01-13	ONLINE PAYMENTS	DEP	\$849.88		\$64,793.01
01-14	WATER RECEIPTS	DEP	\$7,540.04		\$72,333.05
01-14	ONLINE PAYMENTS	DEP	\$709.56		\$73,042.61
01-15	WATER RECEIPTS	DEP	\$103.08		\$73,145.69
01-15	CARREON, J. #1438- MEMBERSHIP	DEP	\$825.00		\$73,970.69
01-15	ONLINE PAYMENTS	DEP	\$1,042.68		\$75,013.37
01-16	WATER RECEIPTS	DEP	\$228.95		\$75,242.32
01-16	WILLIAMS, V. #750- TRANSFER FEE	DEP	\$25.00		\$75,267.32
01-16	ONLINE PAYMENTS	DEP	\$1,417.94		\$76,685.26
01-17	WATER RECEIPTS	DEP	\$317.24		\$77,002.50
01-17	ONLINE PAYMENTS	DEP	\$1,523.17		\$78,525.67
01-18	ONLINE PAYMENTS	DEP	\$880.31		\$79,405.98

01-19	ONLINE PAYMENTS	DEP	\$564.84	\$79,970.82
01-20	ONLINE PAYMENTS (HOLIDAY)	DEP	\$1,445.85	\$81,416.67
01-21	ONLINE PAYMENTS (WEATHER)	DEP	\$492.60	\$81,909.27
01-22	WATER RECEIPTS	DEP	\$1,924.88	\$83,834.15
01-22	UNITED DIRECTIONAL DRILLING- N24-01	DEP	\$2,529.00	\$86,363.15
01-22	ONLINE PAYMENTS	DEP	\$986.68	\$87,349.83
01-23	WATER RECEIPTS	DEP	\$473.68	\$87,823.51
01-23	ONLINE PAYMENTS	DEP	\$2,265.79	\$90,089.30
01-24	WATER RECEIPTS	DEP	\$304.11	\$90,393.41
01-24	NWSC BANK DRAFTS	ACH	\$12,771.88	\$103,165.29
01-24	NWSC BANK DRAFTS	ACH	\$32.16	\$103,197.45
01-24	CLARK, D.- DEVELOPER ANALYSIS	DEP	\$400.00	\$103,597.45
01-24	ONLINE PAYMENTS	DEP	\$642.00	\$104,239.45
01-25	ONLINE PAYMENTS	DEP	\$332.45	\$104,571.90
01-26	ONLINE PAYMENTS	DEP	\$512.41	\$105,084.31
01-27	WATER RECEIPTS	DEP	\$3,116.85	\$108,201.16
01-27	ONLINE PAYMENTS	DEP	\$578.61	\$108,779.77
01-28	WATER RECEIPTS	DEP	\$2,234.06	\$111,013.83
01-28	ONLINE PAYMENTS	DEP	\$347.84	\$111,361.67
01-29	WATER RECEIPTS	DEP	\$1,287.76	\$112,649.43
01-29	SIMPLOT	ACH	\$510.69	\$113,160.12
01-29	ONLINE PAYMENTS	DEP	\$830.58	\$113,990.70
01-30	WATER RECEIPTS	DEP	\$115.83	\$114,106.53
01-30	TCEQ PAYMENT	ACH		\$4,630.03 \$109,476.50
01-30	TRANSFER TO OPERATIONS	ACH		\$7,000.00 \$102,476.50
01-30	D.I.A. UTILITIES	4410		\$2,800.00 \$99,676.50
01-30	VOID	4411		\$0.00 \$99,676.50
01-30	JACLYNE GONZALEZ- MEM. REFUND	4412		\$100.00 \$99,576.50
01-30	MERCER CONTROLS, INC.	4413		\$3,968.95 \$95,607.55
01-30	STWA- ADMIN, POSTAGE, SAMPLES	4414		\$18,906.88 \$76,700.67
01-30	STALINE WATERWORKS INC.	4415		\$7,210.83 \$69,489.84
01-30	WALKER PARTNERS	4416		\$300.00 \$69,189.84
01-30	STWA- DECEMBER WATER	4417		\$31,739.30 \$37,450.54
01-30	STWA- TAPS, ADMIN, CSI, INSTALLS	4418		\$9,555.83 \$27,894.71
01-30	ONLINE PAYMENTS	DEP	\$1,291.41	\$29,186.12
01-31	WATER RECEIPTS	DEP	\$1,124.75	\$30,310.87
01-31	ONLINE PAYMENTS	DEP	\$1,399.54	\$31,710.41
01-31	INTEREST EARNED	DEP	\$207.28	\$31,917.69
			\$89,085.15	\$115,912.49

NUEGES WATER SUPPLY CORPORATION

OPERATIONS

2025

DATE	DESCRIPTION	CK NO.	DEPOSITS	DISBURSEMENTS	BALANCE
JANUARY 2025					\$3,065.94
01-03	INTERCONNECT	ACH		\$55.00	\$3,010.94
01-07	STALINE WATERWORKS INC.	5143		\$273.18	\$2,737.76
01-07	TEXAS EXCAVATION SAFETY SYSTEM	5144		\$70.15	\$2,667.61
01-13	STAPLES	5145		\$53.70	\$2,613.91
01-30	TRANSFER FROM GENERAL	DEB	7,000.00		\$9,613.91
01-30	CITY OF CC- CENTRAL CASHIERS	5146		\$153.00	\$9,460.91
01-30	CNA SURETY DIRECT BILL	5147		\$87.50	\$9,373.41
01-30	DSHS CENTRAL LAB	5148		\$250.00	\$9,123.41
01-30	ECONOMY PRINTING, LLC	5149		\$287.95	\$8,835.46
01-30	FERGUSON ENTERPRISES LLC	5150		\$701.46	\$8,134.00
01-30	STAPLES	5151		\$156.87	\$7,977.13
02-02	INTEREST EARNINGS	DEP	13.03		\$7,990.16
			<u>7,013.03</u>	<u>2,088.81</u>	

Participant Statement

NUECES WATER SUPPLY CORP
 SECURITY DEPOSIT ACCT
 ATTN CAROLA G SERRATO
 2302 E SAGE ROAD
 KINGSVILLE TX 78363-3328

Statement Period 01/01/2025 - 01/31/2025

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Customer Service 1-866-TEX-POOL
 Location ID 000077895
 Investor ID 000007584

TexPool Update

Keep up to date with the latest market talk from our portfolio managers and strategists by visiting the Insights page of TexPool.com.

TexPool Summary

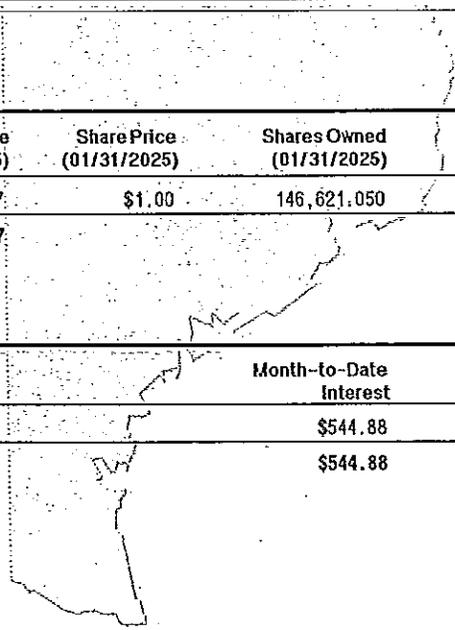
Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$146,076.17	\$0.00	\$0.00	\$544.88	\$146,621.05	\$146,093.75
Total Dollar Value	\$146,076.17	\$0.00	\$0.00	\$544.88	\$146,621.05	

Portfolio Value

Pool Name	Pool/Account	Market Value (01/01/2025)	Share Price (01/31/2025)	Shares Owned (01/31/2025)	Market Value (01/31/2025)
Texas Local Government Investment Pool	449/1371400001	\$146,076.17	\$1.00	146,621.050	\$146,621.05
Total Dollar Value		\$146,076.17			\$146,621.05

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	449/1371400001	\$544.88	\$544.88
Total		\$544.88	\$544.88



Nueces Water Supply Corporation
Treasurer's Report
As of February 28, 2025

General Account - KFNB	\$157,663.47
General Account - TexPool	\$1,095,504.37
General Account - TexPool Prime	\$344,982.79
Operations Account - KFNB	\$7,436.64
Security Deposit Account - TexPool	\$147,110.94
Petty Cash	\$150.00
Cash Drawer	\$100.00
TOTAL	\$1,752,948.21

	13-Dec-24 Billing Reg.	12-Jan-25 Billing Reg.	9-Feb-24 Billing Reg.
Total Usage (Gal)	8,255,963	10,104,150	7,075,310
Water Sales (\$)	\$76,472.74	\$85,926.28	\$74,061.91
Adjustments	(\$127.63)	(\$332.04)	(\$253.35)
Turn on Charge	\$2,880.00	\$840.00	\$2,280.00
Late Charges	\$945.00	\$1,035.00	\$1,200.00
Past Due (Overpayments)	\$8,936.82	(\$2,093.44)	\$19,350.67
Tax	\$367.42	\$410.29	\$365.04
Leak Pay Plan	\$0.00	\$0.00	\$0.00
Total Receivables	\$89,474.35	\$85,786.09	\$97,004.27
METERS ON LINE	1117	1114	1124

NUECES WATER SUPPLY CORP.

**GENERAL
FEBRUARY 2025**

DATE DESCRIPTION	CK NO.	DEPOSIT	DISBURSE.	BALANCE
02-01 BEGINNING BALANCE				\$31,917.69
02-01 ONLINE PAYMENTS	DEP	\$853.66		\$32,771.35
02-02 ONLINE PAYMENTS	DEP	\$1,044.26		\$33,815.61
02-03 WATER RECEIPTS	DEP	\$5,146.42		\$38,962.03
02-03 ONLINE PAYMENTS	DEP	\$788.78		\$39,750.81
02-03 ONLINE PAYMENTS	DEP	\$733.50		\$40,484.31
02-04 WATER RECEIPTS	DEP	\$1,471.29		\$41,955.60
02-04 TAYLOR POWER SYSTEMS	4419		\$37,415.88	\$4,539.72
02-04 TRASNFER FROM TEXPOOL	DEP	\$70,000.00		\$74,539.72
02-04 BARRERA, J. #1439- MEMBERSHIP	DEP	\$2,545.00		\$77,084.72
02-04 ONLINE PAYMENTS	DEP	\$1,590.21		\$78,674.93
02-05 WATER RECEIPTS	DEP	\$329.69		\$79,004.62
02-05 ONLINE PAYMENTS	DEP	\$1,479.15		\$80,483.77
02-06 WATER RECEIPTS	DEP	\$1,437.84		\$81,921.61
02-06 ONLINE PAYMENTS	DEP	\$1,883.80		\$83,805.41
02-07 WATER RECEIPTS	DEP	\$1,323.78		\$85,129.19
02-07 CABELLO, J. #1440- DEVELOPER FEES	DEP	\$6,414.61		\$91,543.80
02-07 RICHARDS, M. #1288- 2ND CSI	DEP	\$50.00		\$91,593.80
02-07 ONLINE PAYMENTS	DEP	\$3,906.12		\$95,499.92
02-08 ONLINE PAYMENTS	DEP	\$715.88		\$96,215.80
02-09 ONLINE PAYMENTS	DEP	\$694.45		\$96,910.25
02-10 WATER RECEIPTS	DEP	\$947.52		\$97,857.77
02-10 ONLINE PAYMENTS	DEP	\$960.90		\$98,818.67
02-11 WATER RECEIPTS	DEP	\$859.32		\$99,677.99
02-11 MICHALK, M.- DEVELOPER ANALYSIS	DEP	\$1,000.00		\$100,677.99
02-11 VIPER OIL & GAS- WATER HAULER DEP	DEP	\$1,170.00		\$101,847.99
02-11 ONLINE PAYMENTS	DEP	\$613.32		\$102,461.31
02-12 WATER RECEIPTS	DEP	\$0.00		\$102,461.31
02-12 ONLINE PAYMENTS	DEP	\$2,480.14		\$104,941.45
02-13 WATER RECEIPTS	DEP	\$14.47		\$104,955.92
02-13 WILLATT & FLICKINGER, PLLC	4420		\$1,363.25	\$103,592.67
02-13 ONLINE PAYMENTS	DEP	\$1,574.13		\$105,166.80
02-14 WATER RECEIPTS	DEP	\$10,672.51		\$115,839.31
02-14 MICHNA, L.#1286- TRANSFER FEE	DEP	\$25.00		\$115,864.31
02-14 ONLINE PAYMENTS	DEP	\$2,066.35		\$117,930.66
02-15 ONLINE PAYMENTS	DEP	\$1,881.36		\$119,812.02
02-16 ONLINE PAYMENTS	DEP	\$987.51		\$120,799.53
02-17 ONLINE PAYMENTS (HOLIDAY)	DEP	\$1,526.19		\$122,325.72
02-18 WATER RECEIPTS	DEP	\$507.67		\$122,833.39
02-18 RODRIGUEZ, J.#1436- 2ND CSI	DEP	\$50.00		\$122,883.39
02-18 ONLINE PAYMENTS	DEP	\$1,519.26		\$124,402.65
02-19 WATER RECEIPTS	DEP	\$1,212.52		\$125,615.17
02-19 ONLINE PAYMENTS	DEP	\$3,215.39		\$128,830.56
02-20 WATER RECEIPTS	DEP	\$89.19		\$128,919.75
02-20 NWSC BANK DRAFTS	ACH	\$11,327.27		\$140,247.02
02-20 ONLINE PAYMENTS	DEP	\$1,697.12		\$141,944.14

02-21	WATER RECEIPTS	DEP	\$2,570.28		\$144,514.42
02-21	GRACE PAVING & CON. #1441- WH DEPOSIT	DEP	\$220.00		\$144,734.42
02-21	THERMAL SCIENTIFIC	4421		\$2,716.02	\$142,018.40
02-21	ACH CHARGEBACK	DEB		\$33.17	\$141,985.23
02-21	ONLINE PAYMENTS	DEP	\$815.26		\$142,800.49
02-22	ONLINE PAYMENTS	DEP	\$309.90		\$143,110.39
02-23	ONLINE PAYMENTS	DEP	\$221.64		\$143,332.03
02-24	WATER RECEIPTS	DEP	\$1,774.95		\$145,106.98
02-24	SIMPLOT GROVER SOLUTIONS	ACH	\$314.46		\$145,421.44
02-24	ACH CHARGEBACK	DEB		\$35.23	\$145,386.21
02-24	ACH CHARGEBACK	DEB		\$137.71	\$145,248.50
02-24	ONLINE PAYMENTS	DEP	\$2,420.01		\$147,668.51
02-25	WATER RECEIPTS	DEP	\$1,608.57		\$149,277.08
02-25	ONLINE PAYMENTS	DEP	\$1,166.33		\$150,443.41
02-26	WATER RECEIPTS	DEP	\$242.11		\$150,685.52
02-26	RODRIGUEZ, J.#1436- 3RD CSI	DEP	\$50.00		\$150,735.52
02-26	ONLINE PAYMENTS	DEP	\$652.64		\$151,388.16
02-27	WATER RECEIPTS	DEP	\$362.44		\$151,750.60
02-27	ONLINE PAYMENTS	DEP	\$2,019.90		\$153,770.50
02-28	WATER RECEIPTS	DEP	\$2,005.69		\$155,776.19
02-28	ONLINE PAYMENTS	DEP	\$1,586.93		\$157,363.12
02-28	INTEREST EARNED	DEP	\$300.35		\$157,663.47
			\$167,447.04	\$41,701.26	



RECEIVED

MAR 11 2025

NUECES WATER SUPPLY CORPORATION

NUECES WATER SUPPLY CORP
 GENERAL ACCT
 ATTN CAROLA G SERRATO
 2302 E SAGE ROAD
 KINGSVILLE TX 78363-3328

Participant Statement

Statement Period **02/01/2025 - 02/28/2025**

Page 1 of 2

Customer Service **1-866-TEX-POOL**
 Location ID **000077895**
 Investor ID **000007585**

TexPool Update

Keep up to date with the latest market talk from our portfolio managers and strategists by visiting the Insights page of TexPool.com.

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$1,161,822.94	\$0.00	\$70,000.00	\$3,681.43	\$1,095,504.37	\$1,101,954.42
TexPool Prime	\$343,799.99	\$0.00	\$0.00	\$1,182.80	\$344,982.79	\$343,842.23
Total Dollar Value	\$1,505,622.93	\$0.00	\$70,000.00	\$4,864.23	\$1,440,487.16	

Portfolio Value

Pool Name	Pool/Account	Market Value (02/01/2025)	Share Price (02/28/2025)	Shares Owned (02/28/2025)	Market Value (02/28/2025)
Texas Local Government Investment Pool	449/1371400002	\$1,161,822.94	\$1.00	1,095,504.370	\$1,095,504.37
TexPool Prime	590/1371400002	\$343,799.99	\$1.00	344,982.790	\$344,982.79
Total Dollar Value		\$1,505,622.93			\$1,440,487.16

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	449/1371400002	\$3,681.43	\$7,999.03
TexPool Prime	590/1371400002	\$1,182.80	\$2,497.78
Total		\$4,864.23	\$10,496.81



NUECES WATER SUPPLY CORPORATION**OPERATIONS**

2025

DATE	DESCRIPTION	CK NO.	DEPOSITS	DISBURSEMENTS	BALANCE
FEBRUARY 2025					\$7,990.16
02-04	INTERCONNECT	ACH		\$55.00	\$7,935.16
02-13	MCCOY'S BUILDING SUPPLY	5152		\$13.32	\$7,921.84
02-13	TEXAS EXCAVATION SAFETY SYSTEM	5153		\$90.85	\$7,830.99
02-21	CITY OF CC- CENTRAL CASHIERS	5154		\$136.00	\$7,694.99
02-21	STALINE WATERWORKS INC.	5155		\$278.28	\$7,416.71
02-28	INTEREST EARNED	DEP	\$19.93		\$7,436.64
			<u>\$19.93</u>	<u>\$573.45</u>	

NUECES WATER SUPPLY CORPORATION

OPERATIONS

2025

DATE	DESCRIPTION	CK NO.	DEPOSITS	DISBURSEMENTS	BALANCE
FEBRUARY 2025					\$7,990.16
02-04	INTERCONNECT	ACH		\$55.00	\$7,935.16
02-13	MCCOY'S BUILDING SUPPLY	5152		\$13.32	\$7,921.84
02-13	TEXAS EXCAVATION SAFETY SYSTEM, INC	5153		\$90.85	\$7,830.99
02-21	CITY OF CC- CENTRAL CASHIERS	5154		\$136.00	\$7,694.99
02-21	STALINE WATERWORKS INC.	5155		\$278.28	\$7,416.71
02-28	INTEREST EARNED	DEP	\$19.93		\$7,436.64
			\$19.93	\$573.45	



Participant Statement

NUECES WATER SUPPLY CORP
 SECURITY DEPOSIT ACCT
 ATTN CAROLA G SERRATO
 2302 E SAGE ROAD
 KINGSVILLE TX 78363-3328

Statement Period **02/01/2025 - 02/28/2025**

Page 1 of 2

Customer Service 1-866-TEX-POOL
 Location ID 000077895
 Investor ID 000007584

TexPool Update

Keep up to date with the latest market talk from our portfolio managers and strategists by visiting the Insights page of TexPool.com.

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$146,621.05	\$0.00	\$0.00	\$489.89	\$147,110.94	\$146,638.55
Total Dollar Value	\$146,621.05	\$0.00	\$0.00	\$489.89	\$147,110.94	

Portfolio Value

Pool Name	Pool/Account	Market Value (02/01/2025)	Share Price (02/28/2025)	Shares Owned (02/28/2025)	Market Value (02/28/2025)
Texas Local Government Investment Pool	449/1371400001	\$146,621.05	\$1.00	147,110.94	\$147,110.94
Total Dollar Value		\$146,621.05			\$147,110.94

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	449/1371400001	\$489.89	\$1,034.77
Total		\$489.89	\$1,034.77



S25-012

January 31, 2025

Nueces Water Supply Corporation
 2302 E. Sage Road
 Kingsville, Tx 78363

DATE	DESCRIPTION	W.O. #	Invoiced to	
			others	Due to STWA
12/02/24	Customer reported pressure issues. Removed pin from meter and restored water at acct. #358-Graham, Beechcraft.	8897	\$0.00	\$90.00
12/03/24	After hours work to repair a leak due to contractor hitting a 4" line at FM 70 - South of CR36	8898	\$1,527.50	\$1,527.50
12/04/24	Customer service inspection at acct. #1411-Rodriguez, James Dr. Failed inspection.	8899	\$75.00	\$75.00
12/06/24	Tie in on 11/23. Set meter, flushed, pressured up, and took samples at acct. #1423-Patrick, CR14.	8900	\$110.00	\$110.00
12/06/24	Second customer service inspection at acct. #1411-Rodriguez, James Dr.	8901	\$50.00	\$50.00
12/07/24	Tap & meter set with extension at acct. #1430-Silva, CR38.	8902	\$984.62	\$984.62
12/08/24	Weekend residual checks on rural system and read meters.	8903	\$0.00	\$35.00
12/07/24	After hours work to repair coupling and adjust LAS at Driscoll Pump Station.	8904	\$0.00	\$52.50
12/02/24	After hours for RPZ installation at Tesla on 11/14.	8905	\$0.00	\$85.00
---	****VOID****	8906	---	---
---	***Billed in November***	8907	---	---
12/02/24	Customer reported low pressure due to meter malfunction. Pulled out locking mechanism at acct. #697-Medina, CR28.	8908	\$0.00	\$45.00
12/09/24	Customer reported a leak. Leak was on customer side at acct. #544-Simplot, FM2826 & CR75.	8909	\$35.00	\$35.00
12/12/24	After hours work to repair leak on main line at Patrick Farms, FM70.	8910	\$0.00	\$1,200.00
12/14/24	After hours work to repair main line on hydro tank at Bishop East Pump Station.	8911	\$0.00	\$1,147.50

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12/15/24	Weekend residual checks on rural system and read meters.	8912	\$0.00	\$35.00
12/16/24	Customer reported no water. Removed housing from meter and removed rubber gasket for flow at acct. #306-Eisenbach, CR93.	8913	\$0.00	\$15.00
12/17/24	Customer service inspection at acct. #1430-Silvas, CR38. Failed inspection.	8914	\$75.00	\$75.00
12/18/24	After hours and regular hours work to repair crack on 2" line at CR14 & CR75.	8915	\$0.00	\$1,900.00
12/18/24	After hours unlocks - #344-Chavez, #904-Connor, #1103-Villarreal, #455-Ramon, #1062-Hanson, #1074-Gonzalez, #1421-Arriaga, #441-Allen.	8916	\$720.00	\$720.00
11/27/24	Regular hours to verify service line connection and line going into home at acct #115-Brand, FM70.	8917	\$0.00	\$30.00
12/18/24	After hours unlocks - #1136-Hernandez, #672-Hernandez, #678-Landeros.	8918	\$270.00	\$270.00
12/18/24	After hours work to call in locates for Contreras extension.	8919	\$0.00	\$30.00
12/19/24	Regular hours to turn off water due to leak on customer side at acct. #859-Elizondo, Warbonnet.	8920	\$35.00	\$35.00
12/19/24	After hours unlock - #1273-Walker.	8921	\$90.00	\$90.00
12/21/24	Weekend residual checks on rural system and read meters.	8922	\$0.00	\$105.00
12/22/24	Customer reported low pressure due to meter malfunction. Pulled out locking mechanism to resolve at acct. #478-Mechell, Reyna St.	8923	\$0.00	\$106.25
12/23/24	After hours unlocks - #1051-Vallejo and #580-Aguirre.	8924	\$180.00	\$180.00
12/23/24	After hours work to check air in hydro tank for Bishop - East.	8925	\$0.00	\$35.00
12/24/24	Holiday daily and NAP samples for Banquete & Sablatura Park.	8926	\$0.00	\$70.00
12/24/24	Holiday NAP - EST at Agua Dulce and Central.	8927	\$0.00	\$46.67
12/25/24	Holiday residual checks on rural system and read meters.	8928	\$0.00	\$23.33
12/27/24	****VOID****	8929	---	---
12/29/24	Weekend residual checks on rural system and read	8930	\$0.00	\$256.44
12/29/24	Customer reported pressure issues for customers on CR12 out of Driscoll Pump Station.	8931	\$0.00	\$105.00
12/31/24	New Years Eve Admin Day reading and residuals.	8932	\$0.00	\$17.50

12/30/24	Customer reported water at meter. Found a small chip at locking mechanism. Tightened housing and repaired leak at acct. #1052-Zamora, FM666.	8933	\$0.00	\$30.00
---	****Billed in January****	8934	---	---
12/31/24	Regular hours unlocks - #827-Garcia, #427-Flores, #663-Wenino, #574- De Leon, #1261-Salinas, #1072-Garcia, #88-Watkins, #1351-Bueno, #1160-Chlamon, #349-Jarman, #273-Cruz, #1268-Esquivel, #6-Robledo, #1037-Suchil, #468-Reyes.	8935	\$900.00	\$900.00
----	****Billed in January****	8936	----	----
----	****Billed in January****	8937	----	----
----	****Billed in January****	8938	----	----
----	****Billed in January****	8939	----	----
----	****Billed in January****	8940	----	----
12/20/24	Second customer service inspection at acct. #1430-Silva, CR38.	8941	\$50.00	\$50.00

Total Due STWA	\$10,562.31
Amount Invoiced to Others	\$5,102.12

Payment due by January 31, 2025
Thank you

STWA

SOUTH TEXAS WATER AUTHORITY

2302 E. SAGE RD.

INVOICE

KINGSVILLE, TEXAS 78363

S25 - 023

February 18, 2025

Nueces Water Supply Corporation
2302 E. Sage Rd.
Kingsville, Texas 78363

Usage

Agua Dulce Rural	901,170
Banquete - NWSC Pump Station	1,688,030
Bishop East	1,919,000
Central Rural	1,722,400
Driscoll Rural	885,000
Sablatura Park	976,500
LCS	1,693,620
KB Foundation	300,800
Tesla	184
	<hr/>
	10,086,704

Total Water Usage for Period 1/1/2025 to 2/1/2025 10,086,704
 Contract Year to Date Usage ----- 42,208,520 gallons

Water Rate (per thousand gallons)

Cost of Water from City of Corpus Christi (Total charges divided by total consumption):

Total charges \$142,423.12
 Total consumption 43,360

Cost of Water from City of Corpus Christi \$ 3.284666

STWA Handling Charge	10,086,704 g @	\$ 0.500000	=	\$ 5,043.35
Corpus Christi Water Cost	10,086,704 g @	\$ 3.284666	=	\$ 33,131.45
Water Rate for current billing period		\$ 3.784666		

Amount Due

Cost of Water

10,086,704 gallons @ \$3.784666 per thousand gallons \$ 38,174.81

Total Due for Water Usage for period 1/1/2025 to 2/1/2025 **\$ 38,174.81**

Net Water Revenue - STWA	
Handling Charge	\$5,043.35
less Pumping Cost	- \$1,599.33
= Net Revenue	\$3,444.02

Payment Due within 30 days of Receipt of Invoice

Thank You!

For more information about the Authority, including information about the Authority's board and board meetings, please go the Comptroller's Special Purpose District Public Information Database located at

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 Frances Garcia, Vice-President
 Imelda Garza, Secretary-Treasurer
 Rudy Galvan, Jr.
 Kathleen Lowman

<https://spdpid.comptroller.texas.gov/> or the Authority's website www.stwa.org

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INVOICE

S25 - 024

February 18, 2025

Nueces Water Supply Corporation
2302 E. Sage Rd.
Kingsville, Texas 78363

Description		Amount Due	
No. of Connections This Month:		1117	
1117	General Maintenance (per connection) @	\$ 6.25	\$ 6,981.25
1117	Read Meters (per connection) @	\$ 1.95	2,178.15
3	Sample Collection (per sample) @	\$ 40.00	120.00
Billing Services for Month of:			
January, 2025			
206	Final Notice Cards @	\$ 1.10	01/08/25 226.60
1117	Statements @	\$ 2.00	01/15/25 2,234.00
1114	Special Mailouts (Stage 3 Notice) @	\$ 0.60	01/06/25 668.40
1115	Special Mailouts (Rate Change) @	\$ 0.60	01/09/25 669.00
1117	Administration (per connection) @	\$ 6.00	6,702.00
917	Nomination Notices - cost will be billed when all annual meeting notices are complete		01/15/25 -
9706	Copies @	\$ 0.10	970.60
	Postage		659.78
TOTAL			\$ 21,409.78

Payment Due By
February 28, 2025

Thank You!

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S25-027

February 26, 2025

Nueces Water Supply Corporation
 2302 E. Sage Road
 Kingsville, Tx 78363

DATE	DESCRIPTION	W.O. #	Invoiced to others	Due to STWA
1/1/2025	Holiday reading and residuals.	8934	0.00	23.33
---	***Billed in December***	8935	---	---
1/3/2025	After hours to repair a leak that was hit by a contractor at FM 3354 by CR73A.	8936	1,738.75	1,738.75
1/5/2025	Weekend readings and residuals.	8937	0.00	35.00
1/4/2025	Customer reported leak at curb stop. Opened and closed curb stop and stopped leak at acct. #23-Knesek, CR 77.	8938	0.00	127.50
1/7/2025	After hours to repair a leak at CR 18 and FM 892.	8939	0.00	680.00
1/7/2025	Customer reported no water. Removed rubber gasket to resolve issue at acct. #1148-Mungia, Rachal Ln.	8940	0.00	127.50
---	***Billed in December***	8941	---	---
1/5/2025	Unlocked meter, but closed it due to leak on customer side at acct. #574-De Leon, James Dr.	8942	35.00	35.00
1/8/2025	Tap and meter set at acct. #1431-Chapa, La Paloma.	8943	0.00	517.03
1/8/2025	Customer reported no water. Pulled out locking mechanism to resolve issue at acct. #980-Perez, CR 30.	8944	0.00	45.00
1/12/2025	Customer reported no water. Shave off rubber seal to resolve issue at acct. #457-Galvan, Longoria St.	8945	0.00	30.00
1/12/2025	Weekend readings and residuals.	8946	0.00	35.00
1/13/2025	After hours with Stewart & Stevenson for generator at Agua Dulce.	8947	0.00	87.50
1/13/2025	Acct. #435-Whiddon, 5114 Broken Arrow reported leak at meter. Exposed the area and found the leak at meter 5105 Tomahawk on customer side.	8948	0.00	150.00
1/15/2025	Reservice at acct. #1438-Carreon, Trejo.	8949	0.00	110.00
1/15/2025	Meter removal due to non-payment at acct. #68-Portales, US Hwy 77.	8950	60.00	60.00

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1/15/2025	Customer reported very low water pressure. Pulled out locking mechanism at acct. #126-Gonzalez, Spring-Gardens-Longoria.	8951	0.00	30.00
1/13/2025	Contracted extension, ready for BacT sample, and meter set at acct. #1429-Contreras, La Paloma.	8952	0.00	135.00
1/14/2025	Customer reported meter fell apart while they were trying to repair the leak. Repaired service main at the saddle at acct. #511-Hower, Tomahawk Dr.	8953	0.00	315.00
---	***VOID***	8954	---	---
1/19/2025	Weekend readings and residuals.	8955	0.00	87.50
1/20/2025	Holiday reading and residuals.	8956	0.00	93.33
1/20/2025	After hours call out due to customer reporting no water. Removed pressure regulator at meter causing no water issue at acct. #1265-Sanches, Trejo.	8957	0.00	198.33
1/21/2025	Bad weather closure. Daily reading and residuals. Emergency locate at CR 95 and FM 70.	8958	0.00	52.50
1/16/2025	Customer service inspection at acct #1438-Carreon, Trejo. Passed inspection.	8959	75.00	75.00
1/22/2025	Customer reported leak at meter. Leak was on customer side at the cut off valve at acct. #1190-Mikeman, FM 1833.	8960	35.00	35.00
1/22/2025	Customer service inspection at acct #1423-Patrick, CR 14. Passed inspection.	8961	75.00	75.00
1/24/2025	Reservice and replaced meter on 1/15. Returned to repair leak at curb stop at acct. #1436-Rodriguez, Tomahawk Dr.	8962	0.00	230.00
1/25/2025	Weekend readings and residuals.	8963	0.00	35.00
1/26/2025	Repaired leak on flush valve on CR 81A at acct. #630-Perea, S. Birch.	8964	0.00	637.50
1/31/2025	Regular hours unlocks - #827-Garcia, #561-Gonzalez, #1347-Cavazos, #1073-Rangel, #654-Polanco, #247-Ayala, #1273-Walker, #273-Cruz, #1209-Rhodes, #1248-Gonzalez, #1134-Arredondo.	8965	660.00	660.00
---	***Billed in February***	8966	---	---
---	***Billed in February***	8967	---	---
---	***Billed in February***	8968	---	---
---	***Billed in February***	8969	---	---
---	***Billed in February***	8970	---	---
---	***Billed in February***	8971	---	---

1/28/2025	Customer service inspection at acct. #1429-Contreras, CR 18. Passed inspection.	8972	75.00	75.00
1/28/2025	Customer service inspection at acct. #1431-Chapa, La Paloma Rd. Passed inspection.	8973	75.00	75.00
1/30/2025	After hours unlock at acct. #786-Cedillo, Ramirez St.	8974	90.00	90.00

Total Due STWA	\$6,700.77
Amount Invoiced to Others	\$2,918.75

Payment due by February 27, 2025

Thank you

STWA

SOUTH TEXAS WATER AUTHORITY

2302 E. SAGE RD.

KINGSVILLE, TEXAS 78363

S25 - 037

INVOICE

March 13, 2025

Nueces Water Supply Corporation
2302 E. Sage Rd.
Kingsville, Texas 78363

Usage

Agua Dulce Rural	928,730
Banquete - NWSC Pump Station	1,528,540
Bishop East	1,824,000
Central Rural (Estimated 2/1 - 2/17)	950,844
Central Rural (Estimated 2/17 - 3/1)	615,251
Driscoll Rural	872,000
Sablatura Park	696,300
LCS	1,588,200
KB Foundation	123,300
Tesla	3,801
	<u>9,130,966</u>

Total Water Usage for Period	2/1/2025	to	3/1/2025	9,130,966
Contract Year to Date Usage -----	49,647,086 gallons			

Water Rate (per thousand gallons)

Cost of Water from City of Corpus Christi (Total charges divided by total consumption):

Total charges	\$115,904.82	
Total consumption	35,150	
Cost of Water from City of Corpus Christi	\$	3.297434

STWA Handling Charge	9,130,966 g @	\$	0.500000	=	\$	4,565.48
Corpus Christi Water Cost	9,130,966 g @	\$	3.297434	=	\$	<u>30,108.76</u>
Water Rate for current billing period		\$	3.797434			

Cost of Water

9,130,966 gallons @ \$3.797434 per thousand gallons \$ 34,674.24

Total Due for Water Usage for period 2/1/2025 to 3/1/2025 **\$ 34,674.24**

Net Water Revenue - STWA	
Handling Charge	\$4,565.48
less Pumping Cost	<u>\$2,000.13</u>
= Net Revenue	\$2,565.35

Payment Due within 30 days of Receipt of Invoice

Thank You!

For more information about the Authority, including information about the Authority's board and board meetings, please go the Comptroller's Special Purpose District Public Information Database located at

Jose M. Graveley, President
Frances Garcia, Vice-President
Imelda Garza, Secretary-Treasurer
Rudy Galvan, Jr.
Kathleen Lowman

<https://spdpid.comptroller.texas.gov/> or the Authority's website www.stwa.org

(361) 592-9323 Or (361) 692-0337 (C.C. line)

Fax: (361) 592-5965

Angela N. Pena
Arturo Rodriguez
Patsy A. Rodgers
John Marez, Administrator

INVOICE

S25 - 038

March 13, 2025

Nueces Water Supply Corporation
2302 E. Sage Rd.
Kingsville, Texas 78363

Description			Amount Due
No. of Connections This Month:	1122		
1122 General Maintenance (per connection) @	\$ 6.25		\$ 7,012.50
1122 Read Meters (per connection) @	\$ 1.95		2,187.90
3 Sample Collection (per sample) @	\$ 40.00		120.00
Billing Services for Month of:			
February, 2025			
240 Final Notice Cards @	\$ 1.10	02/12/25	264.00
1122 Statements @	\$ 2.00	02/12/25	2,244.00
1122 Administration (per connection) @	\$ 6.00		6,732.00
2541 Copies @	\$ 0.10		254.10
Postage			27.24
1 Developer analysis @	\$ 200.00	Clark	200.00
TOTAL			\$ 19,041.74

Payment Due By
March 31, 2025

Thank You!

For more information about the Authority, including information about the Authority's board and board meetings, please go the Comptroller's Special Purpose District Public Information Database located at <https://spdpid.comptroller.texas.gov/> or the Authority's website www.stwa.org

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Fax: (361) 592-5965

Joe Morales
Angela N. Pena
Arturo Rodriguez
Patsy A. Rodgers
John Marez, Exec.Dir/Administrator

ATTACHMENT 3
Credentials Committee

Memo

To: Nueces Water Supply Corporation Board of Directors
From: John Marez, General Manager
Date: April 4, 2025
Re: Appointment of Credentials Committee

Background:

Certain required steps are involved with regards to Annual Membership Meetings and Election of a Board. Election of officers is scheduled to occur immediately after the Annual Membership meeting. The appointment of the Credentials Committee is another item that occurs immediately after the Annual Membership Meeting.

Analysis:

The Credentials Committee should be three (3) persons and the committee should be appointed during the first business meeting after the Annual Meeting. The procedures state that the Secretary-Treasurer is a member of the committee. Another Board member should also be appointed to the Committee. The third person should be a member of the Corporation, which would be a customer that has executed a Service Agreement. It should be noted, however, if the Secretary-Treasurer is up for re-election that person cannot serve on the committee.

Staff Recommendation:

Appoint members of the Corporation's Credentials Committee.

Board Action:

Determine which persons to appoint.

Summary:

Appointment of a Credentials Committee must ensure that the Corporation is complying with the established election procedures.

ATTACHMENT 4

Vaquero Ventures

Memo

To: Nueces Water Supply Corporation, Board of Directors
From: John Marez, General Manager Interim
Date: April 4, 2025
Topic: Non-Standard Service Agreement, Water System Extension) with Vaquero Driscoll Partners, Easements

Background:

Vaquero Driscoll Partners LP has approached Nueces Water Supply Corporation (NWSC) to establish water service for their development, which requires a Non-Standard Service Agreement. This agreement seeks the Board's approval for the release of the right-of-way easement for the Vaquero Ventures property located at FM665/Texas Highway 77 (US I-69). Additionally, this memo supports the Non-Standard Service Agreement and Exhibit C, outlining the breakdown of fees and services associated with the project.

Analysis:

Vaquero Ventures has requested the establishment of water service for their development at FM665/Texas Highway 77. To accommodate this, the project includes a Non-Standard Service Agreement, provisions for water system extension, and an updated easement arrangement. Legal counsel has provided guidance and prepared the required documents to ensure the Authority's interests are protected while meeting the developer's needs.

1. **Right-of-Way Easement:** - Legal counsel has drafted the release of the right-of-way easement for the property. The release ensures alignment with updated development plans while retaining necessary access and operational provisions for the Authority.
2. **Non-Standard Service Agreement:**
 - The agreement outlines responsibilities for water system extension and service provisions.
 - Exhibit C provides a detailed breakdown of fees and services to ensure fair cost recovery and transparency.
3. **Cost and Payment Arrangements:**
 - The finance team has calculated fees to cover development-related expenses. Options for payment, including a formal escrow arrangement if requested by the developer, are outlined to allow flexibility and ease of implementation.

Staff Recommendation:

To finalize this initiative, the following actions are recommended:

- Approve the release of the right-of-way easement as drafted by legal counsel.
- Approve the Non-Standard Service Agreement and associated costs listed in Exhibit (Attachment C).
- Authorize staff to proceed with negotiations and finalize the agreement with Vaquero Ventures.
- Allow flexibility for payment arrangements, including the option for escrow management if preferred by the developer.

Memo

4/4/25

Page 2 of 2

Board Action:

- Review and approve the documents for the easement, Non-Standard Service Agreement, and disbursement of fees/services
- Authorize staff to proceed with negotiations and finalize the agreement with Vaquero Driscoll Partners LP based on our legal counsel's recommendations.

Summary:

Pending Board approval, staff will coordinate with legal counsel and Vaquero Ventures to finalize the documents to allow for the beginning of construction of this project.

RELEASE OF RIGHT OF WAY EASEMENT

STATE OF TEXAS §
 §
COUNTY OF NUECES §

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, Nueces Water Supply Corporation, a non-profit corporation, with an address of 2302 E Sage Road, Kingsville, Texas 78363 (the "**Grantee**") acquired that certain Right of Way Easement dated October 24, 1986, filed on August 14, 1987, recorded in Volume 2074, Page 280 of the Deed Records of Nueces County, Texas (the "**Easement**");

WHEREAS, Vaquero Driscoll Partners, LP, a Texas limited partnership, with an address of 2627 Tillar Street, Suite 111, Fort Worth, Texas 76107 (the "**Owner**") is the owner of those certain tracts of land situated in Nueces County, Texas and more particularly described on Exhibit A attached hereto and incorporated herein by reference (the "**Property**");

WHEREAS, the Property is burdened by the Easement; and

WHEREAS, Owner has requested, and Grantee has agreed, to relinquish all of its rights, title and interest in and to the Property and to fully release the Property from the Easement;

NOW, THEREFORE, as evidence thereof, Grantee does hereby release, relinquish, quitclaim, and transfer without warranty of any kind whatsoever unto the Owner, all of its rights, title and interest, if any, in and to the Property and does hereby fully release the Property from the Easement.

The terms and conditions of this Release of Right of Way Easement shall be deemed to be running with the land and shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of the parties hereto.

It is intended that this Release of Right of Way Easement releases only the Property and all other lands described in the Easement shall be and remain subject to the Easement.

*Remainder of page intentionally left blank.
Signature page follows.*

IN WITNESS WHEREOF, this Release of Right of Way Easement is effective as of this _____ day of _____, 2025.

NUECES WATER SUPPLY CORPORATION,
a Texas non-profit corporation

By: _____
Name: _____
Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

BEFORE ME, the undersigned, a Notary Public in and for the aforesaid County and State, on this day personally appeared _____, a or the _____ of Nueces Water Supply Corporation, a Texas non-profit corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said limited liability company and that he/she executed the same as the act of such corporation for the purposes therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2025.

(seal)

(Notary signature)

(typed or printed name)

My commission expires: _____

EXHIBIT A
The Property

TRACT 1:

FIELD NOTES to that certain tract situated in the City of Driscoll Extraterritorial Jurisdiction, Nueces County, Texas, said tract being a portion of the tract described in the deed to Donald E. McNair and Mary Anna McNair, recorded in Volume 1870, Page 1004, Deed Records, Nueces County, Texas (D.R.N.C.T.), lying in the Northwest 1/4 of the Northwest 1/4 of Section 110 of the Geo. H. Paul Subdivision of The Driscoll Ranch, an addition covering the City of Driscoll, the City of Driscoll Extraterritorial Jurisdiction, and surrounding lands, in Nueces County, Texas, according to the plat recorded in Volume 1, Page 21, Plat Records, Nueces County, Texas; the subject tract, surveyed by JPH Land Surveying, Inc., is more particularly described as follows (bearings are based on the Texas Coordinate System of 1983, South Zone.):

- Beginning** at a 5/8 inch rebar found at the intersection of the south right of way of F.M. 665 (a 100 foot wide right of way) as described in the deed to the State of Texas, recorded under Volume 471, Page 134, D.R.N.C.T. and the east line of the 12.00-acre tract described in the deed to Donald E. McNair and Mary Anna McNair, recorded in Volume 1870, Page 1004, D.R.N.C.T., from which a 5/8 inch rebar found at the northeast corner of the tract described in the deed to Aurelio M. Morin, et ux, bears SOUTH 73°00'04" EAST, a distance of 343.00 feet;
- THENCE** SOUTH 17°03'25" WEST, with the east line of the said McNair tract, passing at a distance of 539.32 feet to a set 1/2 inch capped rebar stamped "JPH Land Surveying", and continuing on said course, in all, a total distance of 935.58 feet to a 1/2 inch capped rebar stamped "JPH Land Surveying" set at the southeast corner of the McNair tract;
- THENCE** NORTH 73°03'00" WEST, with the south line of the McNair tract, a distance of 530.89 feet to an 8-inch fence post found at the southwest corner of the McNair tract;
- THENCE** NORTH 17°03'25" EAST, with the west line of the McNair tract, passing at a distance of 396.71 feet to a set 1/2 inch capped rebar stamped "JPH Land Surveying", and continuing on said course, in all, a total distance of 936.03 feet to a 1/2 inch capped rebar stamped "JPH Land Surveying" set at the intersection of the said south right of way of F.M. 665 and the west line of the McNair tract, from which a found Texas Department Of Transportation Type III Monument bears NORTH 73°00'03" WEST, a distance of 130.19 feet;
- THENCE** SOUTH 73°00'04" EAST, with the south right of way of F.M. 665 and through the interior of the McNair tract, a distance of 530.89 feet returning to the **POINT OF BEGINNING** and enclosing 11.405 acres (±496,808 square feet).

TRACT 2:

BEING A TRACT OF LAND SITUATED IN THE J.A. CABASOS SURVEY, ABSTRACT NO. 63, IN NUECES COUNTY, TEXAS, BEING A PORTION OF THAT SAME TRACT OF LAND CONVEYED TO STEVEN B. DENTON BY DEED RECORDED IN VOLUME 1871, PAGE 443 OF THE DEED RECORDS OF NUECES COUNTY, TEXAS (D.R.N.C.T.), AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 5/8 INCH IRON ROD FOUND WITH A ORANGE CAP STAMPED "JPH LAND SURVEYING" FOR CORNER, SAID POINT BEING THE NORTHWEST CORNER OF A TRACT OF LAND CONVEYED TO VAQUERO DRISCOLL PARTNERS, LP BY DEED RECORDED IN DOCUMENT NO. 2021061077 OF THE OFFICIAL PUBLIC RECORDS OF NUECES COUNTY, TEXAS (O.P.R.N.C.T.), SAID POINT ALSO LYING ON THE EAST LINE OF SAID DENTON TRACT, AND ON THE SOUTH RIGHT-OF-WAY LINE OF F.M. HIGHWAY 665 (VARIABLE WIDTH RIGHT-OF-WAY);

THENCE SOUTH 17 DEGREES 03 MINUTES 25 SECONDS WEST, DEPARTING THE SOUTH RIGHT-OF-WAY LINE OF SAID F.M. HIGHWAY 665, WITH THE EAST LINE OF SAID DENTON TRACT AND WITH THE WEST LINE OF SAID VAQUERO TRACT, PASSING A 5/8 INCH IRON ROD FOUND WITH A ORANGE CAP STAMPED "JPH LAND SURVEYING" FOR REFERENCE AT A DISTANCE OF 539.32 FEET AND CONTINUING FOR A TOTAL DISTANCE OF 936.03 FEET TO A 5/8 INCH IRON ROD FOUND FOR CORNER, SAID POINT BEING THE SOUTHWEST CORNER OF SAID VAQUERO TRACT, SAME BEING THE SOUTHEAST CORNER OF SAID DENTON TRACT AND LYING ON THE NORTH LINE OF THE REMAINDER OF A TRACT CONVEYED TO MELVIN LYLEN MCNAIR BY DEED RECORDED IN VOLUME 1891, PAGE 688, D.R.N.C.T.;

THENCE NORTH 72 DEGREES 52 MINUTES 38 SECONDS WEST, WITH THE NORTH LINE OF SAID MCNAIR TRACT AND WITH THE SOUTH LINE OF SAID DENTON TRACT, A DISTANCE OF 229.65 FEET TO A 4 INCH BRASS DISK STAMPED "TXDOT" FOUND FOR CORNER, SAID POINT BEING THE SOUTHEAST CORNER OF A TRACT OF LAND CONVEYED TO THE STATE OF TEXAS FOR RIGHT-OF-WAY RECORDED IN DOCUMENT NO. 2015013728, O.P.R.N.C.T., SAME BEING THE NORTHEAST CORNER OF A TRACT OF LAND CONVEYED TO THE STATE OF TEXAS FOR RIGHT-OF-WAY RECORDED IN DOCUMENT NO. 2015004150, O.P.R.N.C.T., SAID POINT LYING ON THE EAST RIGHT-OF-WAY LINE OF STATE HIGHWAY NO. 77;

THENCE NORTH 17 DEGREES 01 MINUTES 25 SECONDS EAST, OVER, ACROSS, AND UPON SAID DENTON TRACT, WITH THE EAST RIGHT-OF-WAY LINE OF SAID STATE HIGHWAY NO. 77 AND WITH THE EAST LINE OF SAID STATE OF TEXAS TRACT RECORDED IN DOCUMENT NO. 2015013728, A DISTANCE OF 835.51 FEET TO A 4 INCH BRASS DISK STAMPED "TXDOT" FOUND FOR CORNER AT THE SOUTH END OF A CORNER CLIP AT THE INTERSECTION OF THE EAST RIGHT-OF-WAY LINE OF SAID STATE HIGHWAY NO. 77 WITH THE SOUTH RIGHT-OF-WAY LINE OF SAID F.M. HIGHWAY 665;

THENCE NORTH 62 DEGREES 00 MINUTES 19 SECONDS EAST, CONTINUING THROUGH SAID DENTON TRACT, WITH THE SOUTHEAST LINE OF SAID CORNER CLIP AND SAID STATE OF TEXAS TRACT RECORDED IN DOCUMENT NO. 2015013728, A DISTANCE OF 141.47 FEET TO A 4 INCH BRASS DISK STAMPED "TXDOT" FOUND FOR CORNER AT THE EAST END OF SAID CORNER CLIP, SAID POINT BEING THE NORTHEAST CORNER OF SAID STATE OF TEXAS RIGHT-OF-WAY TRACT AND LYING ON THE SOUTH RIGHT-OF-WAY LINE OF SAID F.M. HIGHWAY 665;

THENCE SOUTH 73 DEGREES 00 MINUTES 04 SECONDS EAST, CONTINUING THROUGH SAID DENTON TRACT, WITH THE SOUTH RIGHT-OF-WAY LINE OF SAID F.M. HIGHWAY 665, A DISTANCE OF 130.19 FEET TO THE POINT OF BEGINNING AND CONTAINING 210,154 SQUARE FEET OR 4.824 ACRES OF LAND, MORE OR LESS.

**NUECES WATER SUPPLY CORPORATION
NON-STANDARD SERVICE AGREEMENT
(Including Water System Extension)**

THIS AGREEMENT is made and entered into by and between Vaquero Driscoll Partners, LP, a Texas limited partnership, hereinafter referred to as "Developer," and Nueces Water Supply Corporation, hereinafter referred to as "WSC."

WHEREAS, Developer is engaged in developing that certain property described in the attached Exhibit "A," hereinafter referred to as "the Property;" and

WHEREAS, WSC owns and operates a water system which supplies potable water for human consumption and other domestic uses to customers within its service area; and

WHEREAS, the Property is located in the WSC's service area; and

WHEREAS, Developer has requested WSC to provide water service to the Property through a 6-inch line extension of WSC's water system, such extension being hereinafter referred to as "the Water System Extension"; and

WHEREAS, WSC has agreed to complete the Water System Extension, in accordance with the terms of this agreement;

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS that for and in consideration for the mutual promises hereinafter expressed, and other good and valuable consideration, the sufficiency of which is hereby acknowledged by the parties, Developer and WSC agree as follows:

1. **Engineering and Design of the Water System Extension.**
 - (a) The Water System Extension shall be engineered and in accordance with the applicable specifications of the Developer, WSC, all governmental agencies having jurisdiction over the construction of the Water System Extension and by WSC's consulting engineer (the "Engineer"). The parties agree that the Engineer shall be International Consulting Engineers (ICE). The Engineer shall complete the plans and specifications to the reasonable satisfaction of Developer, WSC, and all governmental agencies having jurisdiction over the Water System Extension pursuant a design/build contract between the Engineer and WSC (the "ICE Design/Build Contract") which has been reviewed by Developer and WSC and which is hereby incorporated herein for all purposes. After completion of the plans and specifications by the Engineer, both parties shall approve such plans in writing, the approved plans and specifications are hereinafter referred to as

the "Plans". The Plans shall become part of this Agreement by reference and shall more particularly define "the Water System Extension."

- (b) The Water System Extension must be sized to provide continuous and adequate water service to the Property based on plans for the development of the Property attached hereto as Exhibit "B" (the "Developer's Plans").
- (c) WSC may require the Water System Extension to be oversized in anticipation of the needs of other customers of the WSC, provided, any additional costs attributable to the oversizing shall be the sole responsibility of WSC.
- (d) Due to the variable market for needed materials and supplies, quotations for the cost of construction of utility plant and/or upgrades that will be necessary to construct and install the Water System Extension shall be good only for the date of presentation by the Engineer and/or contractor. A quotation for the total cost of construction and installation of the Water System Extension as of the date of this Agreement is attached hereto as Exhibit "C" (the "Total Cost Quotation"). Following the date hereof, materials and supplies for construction may require an adjustment to reflect current market prices, provided that any such adjustment shall be subject to the terms of Section 6.(a)(iii) below.

2. **Required Easements or Rights-of-Way.**

- (a) WSC shall be responsible for dedicating or acquiring any easements across privately owned land which are necessary for the construction of the Water System Extension and for obtaining any governmental approvals (including without limitation any required by the Texas Department of Transportation ("TXDOT")) necessary to construct the Water System Extension in public rights-of-way.
- (b) Developer shall grant to WSC a non-exclusive easement (the "Property Easement") related to the Water System Extension on and through the portion of the Property which contains permanent infrastructure related to the Water System Extension. The Property Easement shall be not less than ten feet (10') in width and WSC and Developer shall determine the location and course of the Property Easement pursuant to mutual agreement.
- (c) Developer hereby grants to WSC a temporary construction easement upon those certain portions of the Property as may be reasonably required for the construction of the Water System Extension. Following WSC's completion of the Water System Extension, WSC shall restore the Property to substantially the same condition that existed prior to WSC's construction activities upon the Property. Such temporary easement will automatically

terminate and expire without further documentation being required upon the completion of the Water System Extension.

3. **Construction of the Water System Extension.**

- (a) No construction will commence until the Plans have been submitted to and approved by the Texas Commission on Environmental Quality and any other required regulatory agency, as may be required by law. WSC shall have no liability of any kind to Developer occasioned by delays or difficulties in obtaining any required governmental approvals, permits, licenses or certificates.
- (b) The Water System Extension shall be constructed in accordance with the Plans and pursuant to the ICE Design/Build Contract. WSC and Developer shall have the right to inspect all phases of the construction of the Water System Extension.
- (c) Following timely delivery of Escrow Funds to the Escrow Agent and Developer Fees to WSC, and the receipt of any approvals from the Texas Commission on Environmental Quality (the "TCEQ") and other required governmental agencies and the execution of the contract for construction, WSC shall promptly cause construction to commence and make all commercially reasonable efforts to complete construction in a good and workmanlike manner at the earliest possible time.

4. **Dedication of Water System Extension to WSC.**

Upon proper completion of construction of the Water System Extension and final inspection thereof by WSC, the Water System Extension shall be dedicated to the WSC by an appropriate legal instrument approved by Developer's and WSC's attorney. The Water System Extension shall thereafter be owned and maintained by WSC.

5. **Insurance.**

(a) Prior to commencing construction of the Water System Extension, WSC shall obtain or require its contractors to obtain and thereafter maintain, so long as such construction activity is occurring on the Property and this Agreement is in effect, at least the minimum insurance coverages set forth as follows: Commercial General Liability with limits not less than \$1,000,000 per occurrence for bodily injury and property damage, \$1,000,000 any one person or organization for personal and advertising injury, \$2,000,000 general aggregate and \$2,000,000 products/completed operations aggregate covering (a) property/operations liability, (b) independent contractors liability, and (c) broad form contractual liability; (d) Umbrella/Excess Liability Insurance providing excess liability coverage with respect to Commercial General Liability, business automobile liability and Employers Liability policies described above, with limits not less than \$2,000,000; (e) Commercial Property Insurance on all Contractor-supplied property for Contractor's operations including but not limited to equipment (stationary or mobile),

tools (including employee tools), supplies, materials or any property owned, leased or the legal responsibility of the general contractor or its subcontractors.

(b) All such insurance shall include the following provisions:

1. Provide that the policy may not be canceled without at least thirty (30) days prior written notice by the insurer to each insured and any additional insureds;
2. Name the other of WSC and the Developer as an additional insured on all policies. The policies held by any general contractor or subcontractor shall be primary and non-contributory to any other insurance available to WSC or the Developer, as applicable;
3. Provide for the severability of interests; and
4. provide that an act or omission of one of the insureds or additional insureds which would void or otherwise reduce coverage, shall not reduce or void the coverage as to the other additional insureds or the insured, respectively.

(c) All insurance required by this Section 5 shall be procured from companies licensed in Texas and shall be rated by Best's Insurance Reports not less than A-. The insurance may be carried under (i) an individual policy covering this location, (ii) a blanket policy or policies which include(s) other liabilities, properties and locations of a party hereto, (iii) a plan of self-insurance, or (iv) a combination of any of the foregoing insurance programs. Each party agrees to furnish the other, upon request, a certificate(s) of insurance evidencing that the insurance require to be carried hereunder is in full force and effect.

(d) Neither WSC or Developer (as applicable, the "Released Party") shall be liable by way of subrogation or otherwise to the other party (as applicable, the "Insured Party") or to any insurance company insuring the Insured Party for any loss or damage to any of the property of the Insured Party covered by insurance even though such loss or damage might have been occasioned by the negligence of the Released Party or any of its respective affiliates. This release shall be in effect only so long as the applicable insurance policies shall contain a clause or endorsement to the effect that the waiver shall not affect the right of the Insured Party to recover under such policies. Each of WSC and Developer shall use is reasonable efforts, including payment of any additional premium, to have its insurance policies contain the standard waiver of subrogation clause. In the event either party's insurance carrier declines to include in such carrier's policies a standard waiver of subrogation clause, such Party shall promptly notify the other party.

6. **Cost of the Water System Extension.**

- (a) The mutually approved estimate of the cost to complete the Water System Extension, as shown on the Total Cost Quotation, is **\$253,866.50** ("**System Extension Cost**"). Which shall be paid by the parties as follows:

- (i) Developer shall be responsible for ninety-three percent (93%) of the System Extension Cost ("Developer's Portion"), initially estimated to be **\$236,241.16**.
 - (ii) WSC shall be responsible for seven percent (7%) of the System Extension Cost ("WSC's Portion"), initially estimated to be **\$17,625.34**.
 - (iv) Except as otherwise provided in this Agreement, the Parties hereby further acknowledge and agree that (A) Developer will pay Developer's Portion of any construction cost overruns in excess of the initial System Extension Costs calculated in this Section 6(a) and (B) WSC will pay WSC's Portion of any construction cost overruns in excess of the initial System Extension Costs calculated in this Section 6(a).
 - (v) Except as otherwise provided in this Agreement, any change orders modifying the scope of work or the System Extension Costs to the Water System Extension shall first be approved by WSC and Developer in writing prior to commencing any labor or ordering any materials in connection with any such change order, with such approval not to be unreasonably conditioned, delayed, or withheld.
- (b) The payments set forth in Subsections (i) and (ii) below shall be paid directly to WSC and shall not be subject to escrow but shall be the unrestricted funds of WSC.
- (i) A Non-Standard Service Investigation Fee in an amount of \$127,699.46 shall be paid by Developer to the WSC upon execution of this Agreement.
 - (ii) The "Membership Fee", in the total amount of \$2,775.00 shall be paid by the Developer to the WSC upon execution of this Agreement.
- (c) All funds required for the Water System Extension construction shall be escrowed with Title Partners, LLC ("Escrow Agent") pursuant to a separate escrow agreement to be mutually agreed to by and between Developer, WSC, and Escrow Agent (the "Escrow Agreement"). The account shall be in the name of and under the sole control of the Escrow Agent. Interest accrued thereon shall be retained in the account for the benefit of the Developer. All escrow and other charges associated with the creation and maintenance of this account shall be borne by Developer. Developer shall be required to maintain the level of funds in said escrow account at no less than one hundred percent (100%) of the Developer's Portion (the "Escrowed Funds"). All funds remaining in the escrow account following the proper completion and dedication of the Water System Extension to

WSC shall be refunded to Developer upon written request from Developer to WSC and Escrow Agent. Developer-paid investigation fees, impact or capital recovery fees or capacity reservation charges shall be paid directly to WSC at execution of this Agreement and shall not be subject to escrow but shall be the unrestricted funds of WSC ("Developer Fees"). Upon timely delivery of Escrowed Funds to the Escrow Agent and the Developer Fees to WSC and provided the necessary TCEQ approvals and other governmental approvals have been received, and the contract for construction has been executed, WSC shall authorize construction to commence and make all reasonable efforts to complete construction at the earliest possible time. WSC shall have the right to submit requests for release of escrowed funds for actual costs incurred in performing the construction of the Water System Extension, including but not limited to any costs associated with obtaining new approvals and permits, if necessary, in accordance with the Escrow Agreement.

- (d) Nothing herein shall be construed as obligating the Developer to maintain the Water System Extension.
- (e) If WSC has required the Water System Extension to be oversized in anticipation of the needs of the other customers of WSC, WSC shall pay and be solely responsible for any additional costs of construction attributable to the oversizing, including without limitation any additional engineering and design and/or permits costs.
- (f) If the Developer requests WSC to install meters at service locations during the construction of the distribution system infrastructure, Developer shall pay the normal monthly service rates for each meter beginning with the date of installation. Unless the service meter is for the Developer's own permanent use and not for property to be resold to the public in the ordinary course of business, Developer shall pay a customer service deposit of \$100.00 per 5/8-inch meter. The deposit shall be increased by the meter equivalency factors in WSC's approved tariff for larger meters. These customer service deposits shall be payable in lieu of the WSC's customary membership fee and shall be managed and refundable in the same fashion as a membership fee under WSC's by-laws and tariff. Failure to timely pay the service charges and/or deposits for any individual meter shall be grounds for discontinuance and/or refusal of service for all other meters held by Developer.

7. **Service from the Water System Extension.**

- (a) After proper completion and dedication of the Water System Extension to WSC, WSC shall provide continuous and adequate water service to the Property under the requirements of WSC's state-issued certificate of convenience and necessity, the regulations of the Texas Commission on Environmental Quality and all duly adopted rules and regulations of WSC and payment of the following:
 - (1) All standard rates, fees and charges as reflected in WSC's approved tariff.
- (b) It is understood and agreed that the obligation of WSC to provide water service in the manner contemplated by this Agreement is subject to the issuance by the Texas Commission on Environmental Quality and all other governmental agencies having jurisdiction of all permits, certificates or approvals required to lawfully provide such service.
- (c) Unless the prior approval of WSC is obtained, the Developer shall not:
 - (1) construct or install additional waterlines or facilities to service areas outside the Property;
 - (2) add any additional lands to the Property for which water service is to be provided pursuant to this agreement; or
 - (3) connect or serve any person or entity who, in turn, sells water service directly or indirectly to another person or entity.
- (d) Notwithstanding any provision in this Agreement to the contrary, the WSC is not obligated to and will not be providing water to the Property for fire flow protection. Developer acknowledges and agrees that fire flow protection is not required by this Agreement.

8. **Effect of Force Majeure.**

In the event either party is rendered unable by force majeure to carry out any of its obligations under this Agreement, in whole or in part, then the obligations of that party, to the extent affected by the force majeure, shall be suspended during the continuance of the inability, provided however, that due diligence is exercised to resume performance at the earliest practical time. As soon as reasonably possible after the occurrence of the force majeure relied upon to suspend performance, the party whose contractual obligations are affected thereby shall give notice and full particulars of the force majeure to the other party.

The cause, as far as possible, shall be remedied with all reasonable diligence. The term "force majeure" includes acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, orders of the government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics,

landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and civil disturbances, explosions, breakage or accidents to equipment, pipelines or canals, partial or complete failure of water supply, and any other inabilities of either party, whether similar to those enumerated or otherwise, that are not within the control of the party claiming the inability and that could not have been avoided by the exercise of due diligence and care. It is understood and agreed that the settlement or strikes and lockouts shall be entirely within the discretion of the party having the difficulty and that the requirement that any force majeure be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party if the settlement is unfavorable to it in the judgment of the party having the difficulty.

9. **Notices.**

Any notice to be given hereunder by either party to the other party shall be in writing and may be effected by personal delivery or by sending said notices by registered or certified mail, return receipt requested, to the address set forth below. Notice shall be deemed given when deposited with the United States Postal Service with sufficient postage affixed. Any notice mailed to the WSC shall be addressed:

Nueces Water Supply Corporation
Attn: General Manager
2302 E. Sage Rd,
Kingsville, Texas 78363

with copy to:

Bill Flickinger
Willatt & Flickinger, PLLC
12912 Hill Country Blvd., Suite F-232
Austin, Texas 78738

Any notice mailed to Developer shall be addressed:
Vaquero Driscoll Partners, LP
2627 Tillar Street, St. 111
Fort Worth, Texas 76107
Attn: Emily Crockett

Either party may change the address for notice to it by giving notice of such change in accordance with the provisions of this paragraph.

10. **Severability.**

The provisions of this Agreement are severable, and if any word, phrase, clause, sentence, paragraph, section or other part of this Agreement or the application thereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such word, phrase, clause, sentence, paragraph, section or other part of this Agreement to other persons or circumstances shall not be affected thereby and this Agreement shall be construed as if such invalid or unconstitutional portion had never been contained therein.

11. **Entire Agreement.**

This Agreement, including any exhibits attached hereto and made a part hereof, constitutes the entire agreement between the parties relative to the subject matter of this Agreement. All prior agreements, covenants, representations or warranties, whether oral or in writing, between the parties are merged herein.

12. **Amendment.**

No amendment of this Agreement shall be effective unless and until it is duly approved by each party and reduced to a writing signed by the authorized representatives of the WSC and the Developer, respectively, which amendment shall incorporate this Agreement in every particular not otherwise changed by the amendment.

13. **Governing Law.**

This Agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of the parties are expressly deemed performable within the state-certificated service area of WSC.

14. **Venue.**

Venue for any suit arising hereunder shall be in Nueces County, Texas.

15. **Successors and Assigns.**

This Agreement shall be binding on and shall inure to the benefit of the heirs, successors and assigns of the parties.

16. **Assignability.**

The rights and obligations of the Developer hereunder may not be assigned without the prior written consent of the WSC, provided such consent shall not be unreasonably withheld, conditioned, or delayed.

17. **Effective Date.**

This Agreement shall be effective from and after the date of due execution by all parties.

18. **Conflict.**

In the event there is determined to be a conflict between the terms of this Agreement and the provisions in the WSC's tariff governing the same matter, the tariff shall prevail.

19. **Attorneys' Fees.**

The prevailing party in any litigation concerning this Agreement shall be entitled to recover from the other party all court costs and reasonable attorneys' fees incurred by such prevailing party in connection with such litigation.

20. **Counterparts.**

This Agreement may be executed in multiple counterparts, any one of which need not contain the signature of more than one party, but all of which counterparts, taken together, shall constitute one and the same agreement.

21. **Binding Effect.**

The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed by its duly authorized representative in multiple copies, each of equal dignity, on the date or dates indicated below.

NUECES WATER SUPPLY CORPORATION

By: _____

Name: _____

Title: _____

Date: _____

“DEVELOPER”

VAQUERO DRISCOLL PARTNERS, LP,
a Texas limited partnership

By: VAQUERO VENTURES MANAGEMENT, LLC, General Partner

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A The Property

Tract 1:

BEING A TRACT OF LAND SITUATED IN THE J.A. CABASOS SURVEY, ABSTRACT NO. 63, IN NUECES COUNTY, TEXAS, BEING A PORTION OF THAT SAME TRACT OF LAND CONVEYED TO STEVEN B. DENTON BY DEED RECORDED IN VOLUME 1871, PAGE 443 OF THE DEED RECORDS OF NUECES COUNTY, TEXAS (D.R.N.C.T.), AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2 INCH IRON ROD FOUND WITH A ORANGE CAP STAMPED "JPH LAND SURVEYING" FOR CORNER, SAID POINT BEING THE NORTHWEST CORNER OF A TRACT OF LAND CONVEYED TO VAQUERO DRISCOLL PARTNERS, LP BY DEED RECORDED IN DOCUMENT NO. 2021061077 OF THE OFFICIAL PUBLIC RECORDS OF NUECES COUNTY, TEXAS (O.P.R.N.C.T.), SAID POINT ALSO LYING ON THE EAST LINE OF SAID DENTON TRACT, AND ON THE SOUTH RIGHT-OF-WAY LINE OF F.M. HIGHWAY 665 (VARIABLE WIDTH RIGHT-OF-WAY);

THENCE SOUTH 17 DEGREES 03 MINUTES 25 SECONDS WEST, DEPARTING THE SOUTH RIGHT-OF-WAY LINE OF SAID F.M. HIGHWAY 665, WITH THE EAST LINE OF SAID DENTON TRACT AND WITH THE WEST LINE OF SAID VAQUERO TRACT, PASSING A 1/2 INCH IRON ROD FOUND WITH A ORANGE CAP STAMPED "JPH LAND SURVEYING" FOR REFERENCE AT A DISTANCE OF 539.32 FEET AND CONTINUING FOR A TOTAL DISTANCE OF 936.03 FEET TO A 5/8 INCH IRON ROD FOUND FOR CORNER, SAID POINT BEING THE SOUTHWEST CORNER OF SAID VAQUERO TRACT, SAME BEING THE SOUTHEAST CORNER OF SAID DENTON TRACT AND LYING ON THE NORTH LINE OF THE REMAINDER OF A TRACT CONVEYED TO MELVEN LYLE MCNAIR BY DEED RECORDED IN VOLUME 1891, PAGE 688, D.R.N.C.T.;

THENCE NORTH 72 DEGREES 52 MINUTES 38 SECONDS WEST, WITH THE NORTH LINE OF SAID MCNAIR TRACT AND WITH THE SOUTH LINE OF SAID DENTON TRACT, A DISTANCE OF 229.65 FEET TO A 4 INCH BRASS DISK STAMPED "TXDOT" FOUND FOR CORNER, SAID POINT BEING THE SOUTHEAST CORNER OF A TRACT OF LAND CONVEYED TO THE STATE OF TEXAS FOR RIGHT-OF-WAY RECORDED IN DOCUMENT NO. 2015013728, O.P.R.N.C.T., SAME BEING THE NORTHEAST CORNER OF A TRACT OF LAND CONVEYED TO THE STATE OF TEXAS FOR RIGHT-OF-WAY RECORDED IN DOCUMENT NO. 2015004150, O.P.R.N.C.T., SAID POINT LYING ON THE EAST RIGHT-OF-WAY LINE OF STATE HIGHWAY NO. 77;

THENCE NORTH 17 DEGREES 01 MINUTES 25 SECONDS EAST, OVER, ACROSS, AND UPON SAID DENTON TRACT, WITH THE EAST RIGHT-OF-WAY LINE OF SAID STATE HIGHWAY NO. 77 AND WITH THE EAST LINE OF SAID STATE OF TEXAS TRACT RECORDED IN DOCUMENT NO. 2015013728, A DISTANCE OF 835.51 FEET TO A 4 INCH BRASS DISK STAMPED "TXDOT" FOUND FOR CORNER AT THE SOUTH END OF A CORNER CLIP AT THE INTERSECTION OF THE EAST RIGHT-OF-WAY LINE OF SAID STATE HIGHWAY NO. 77 WITH THE SOUTH RIGHT-OF-WAY LINE OF SAID F.M. HIGHWAY 665;

THENCE NORTH 62 DEGREES 00 MINUTES 19 SECONDS EAST, CONTINUING THROUGH SAID DENTON TRACT, WITH THE SOUTHEAST LINE OF SAID CORNER CLIP AND SAID STATE OF TEXAS TRACT RECORDED IN DOCUMENT NO. 2015013728, A DISTANCE OF 141.47 FEET TO A 4 INCH BRASS DISK STAMPED "TXDOT" FOUND FOR CORNER AT THE EAST END OF SAID CORNER CLIP, SAID POINT BEING THE NORTHEAST CORNER OF SAID STATE OF TEXAS RIGHT-OF-WAY TRACT AND LYING ON THE SOUTH RIGHT-OF-WAY LINE OF SAID F.M. HIGHWAY 665;

THENCE SOUTH 73 DEGREES 00 MINUTES 04 SECONDS EAST, CONTINUING THROUGH SAID DENTON TRACT, WITH THE SOUTH RIGHT-OF-WAY LINE OF SAID F.M. HIGHWAY 665, A DISTANCE OF 130.19 FEET TO THE POINT OF BEGINNING AND CONTAINING 210,154 SQUARE FEET OR 4.824 ACRES OF LAND, MORE OR LESS.

Tract 2:

FIELD NOTES TO THAT CERTAIN TRACT SITUATED IN THE CITY OF DRISCOLL EXTRATERRITORIAL JURISDICTION, NUECES COUNTY, TEXAS, SAID TRACT BEING A PORTION OF THE TRACT DESCRIBED IN THE DEED TO DONALD E. MCNAIR AND MARY ANNA MCNAIR, RECORDED IN VOLUME 1870, PAGE 1004, DEED RECORDS, NUECES COUNTY, TEXAS (D.R.N.C.T.), LYING IN THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 110 OF THE GEO. H. PAUL SUBDIVISION OF THE DRISCOLL RANCH, AN ADDITION COVERING THE CITY OF DRISCOLL, THE CITY OF DRISCOLL EXTRATERRITORIAL JURISDICTION, AND SURROUNDING LANDS, IN NUECES COUNTY, TEXAS, ACCORDING TO THE PLAT RECORDED IN VOLUME 1, PAGE 21, PLAT RECORDS, NUECES COUNTY, TEXAS; THE SUBJECT TRACT, SURVEYED BY JPH LAND SURVEYING, INC., IS MORE PARTICULARLY DESCRIBED AS FOLLOWS (BEARINGS ARE BASED ON THE TEXAS COORDINATE SYSTEM OF 1983, SOUTH ZONE.):

BEGINNING AT A 5/8 INCH REBAR FOUND AT THE INTERSECTION OF THE SOUTH RIGHT OF WAY OF F.M. 665 (A 100 FOOT WDE RIGHT OF WAY) AS DESCRIBED IN THE DEED TO THE STATE OF TEXAS, RECORDED UNDER VOLUME 471, PAGE 134, D.R.N.C.T. AND THE EAST LINE OF THE 12.00-ACRE TRACT DESCRIBED IN THE DEED TO DONALD E. MCNAIR AND MARY ANNA MCNAIR, RECORDED IN VOLUME 1870, PAGE 1004, D.R.N.C.T., FROM WHICH A 5/8 INCH REBAR FOUND AT THE NORTHEAST CORNER OF THE TRACT DESCRIBED IN THE DEED TO AURELIO M. MORAN, ET UXOR, BEARS SOUTH 73°00'04" EAST, A DISTANCE OF 343.00 FEET;

THENCE SOUTH 17°03'25" WEST, WITH THE EAST LINE OF THE SAID MCNAIR TRACT, PASSING AT A DISTANCE OF 539.32 FEET TO A SET 1/2 INCH CAPPED REBAR STAMPED "JPH LAND SURVEYING", AND CONTINUING ON SAID COURSE, IN ALL, A TOTAL DISTANCE OF 935.58 FEET TO A 1/2 INCH CAPPED REBAR STAMPED "JPH LAND SURVEYING" SET AT THE SOUTHEAST CORNER OF THE MCNAIR TRACT;

THENCE NORTH 73°03'00" WEST, WITH THE SOUTH LINE OF THE MCNAIR TRACT, A DISTANCE OF 530.89 FEET TO AN 8-INCH FENCE POST FOUND AT THE SOUTHWEST CORNER OF THE MCNAIR TRACT;

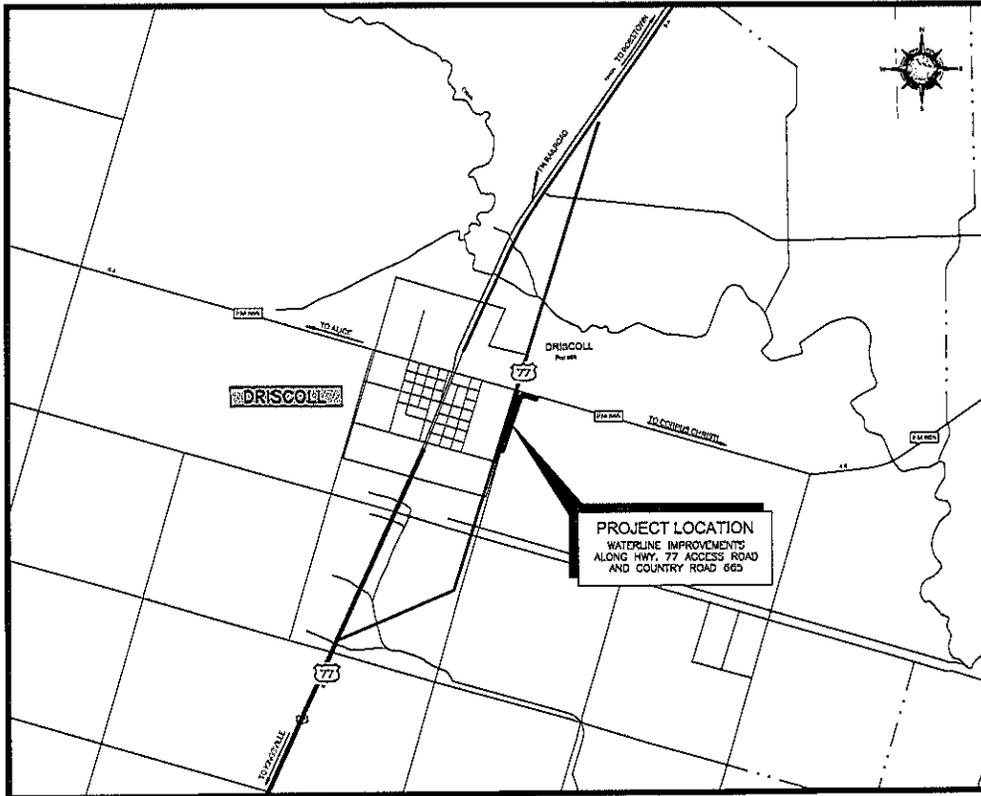
THENCE NORTH 17°03'25" EAST, WITH THE WEST LINE OF THE MCNAIR TRACT, PASSING AT A DISTANCE OF 398.71 FEET TO A SET 1/2 INCH CAPPED REBAR STAMPED "JPH LAND SURVEYING", AND CONTINUING ON SAID COURSE, IN ALL, A TOTAL DISTANCE OF 936.03 FEET TO A 1/2 INCH CAPPED REBAR STAMPED "JPH LAND SURVEYING" SET AT THE INTERSECTION OF THE SAID SOUTH RIGHT OF WAY OF F.M. 665 AND THE WEST LINE OF THE MCNAIR TRACT, FROM WHICH A FOUND TEXAS DEPARTMENTS OF TRANSPORTATION TYPE II MONUMENT BEARS NORTH 73°00'04" WEST, A DISTANCE OF 130.19 FEET;

THENCE SOUTH 73°00'04" EAST, WITH THE SOUTH RIGHT OF WAY LINE OF F.M. 665 AND THROUGH THE INTERIOR OF THE MCNAIR TRACT, A DISTANCE OF 530.89 FEET RETURNING TO THE POINT OF BEGINNING AND ENCLOSING 11,405 ACRES (±498,808 SQUARE FEET).

EXHIBIT B
Developer's Plans

[attached]

**NUECES WATER SUPPLY CORPORATION
WATERLINE IMPROVEMENTS
ALONG HWY 77 ACCESS ROAD AND COUNTY ROAD 665
DRISCOLL, NUECES COUNTY, TEXAS**



1
T1 T1
LOCATION MAP
SCALE: 1"=2000'

SHEET INDEX

SHEET	DWG. NO.	TITLE
1	T1	TITLE SHEET
2	C1	GENERAL NOTES
3	C2	QUANTITIES & LEGEND
4	C3	ALIGNMENT AND CONTROL POINT DATA STA. 0+00 TO STA. 31+00
5	C4	WATERLINE IMPROVEMENTS STA. 0+00 TO STA. 31+00
6	C5	WATERLINE STANDARD DETAILS I
7	C6	WATERLINE STANDARD DETAILS II
8	C7	WATERLINE STANDARD DETAILS III
9	C8	WATERLINE STANDARD DETAILS IV
10	C9	TxDOT STANDARD TRAFFIC CONTROL PLAN SHOULDER WORK FOR FREEWAYS / EXPRESSWAYS

NUECES WATER SUPPLY CORPORATION

BOARD MEMBERS

PRESIDENT..... ALICE J. BLACK
VICE-PRESIDENT..... SHERRY ZIMMERMAN
SECRETARY / TREASURER..... KATHLEEN LOWMAN

CONSULTANT'S SHEET PROJECT NO. 22118-01	
	
	
REASON NO. _____ DATE _____ BY _____	NUCES WATER SUPPLY CORPORATION WATERLINE IMPROVEMENTS TITLE SHEET / VICINITY MAP
DRAWING NO. T1	
SHEET 1 of 10	

PLEASANTON, TEXAS: 2008/01/01 - 2008/01/01
 PROJECT NO. 22118-01
 SHEET NO. T1
 DATE: 11/20/23

Attachment C

Non-Standard Investigation Fee Breakdown

Engineering Fees	\$72,143.00
Legal Fees through 01/31/25	\$10,214.50
Estimated additional Legal Fees	\$500.00
NWSC Pro-rata fees of Infrastructure (see attached)	<u>\$45,841.96</u> <u>\$128,699.46</u>
Less: \$1,000 deposit	<u>-\$1,000.00</u>
Vaquero	<u>\$127,699.46</u>

"Capital Contribution" and "Membership Fee"

6" Waterline Construction	\$253,866.50
Less: Nueces Water Supply Contribution	<u>(\$17,625.34)</u>
Vaquero	<u>\$236,241.16</u>
Membership Fee	\$200.00
Tap Fee - 1 1/2" displacement meter	\$2,500.00
Customer Service Inspection	<u>\$75.00</u>
Vaquero	<u>\$2,775.00</u>
Total Due from Vaquero	<u>\$366,715.62</u>

ATTACHMENT 5
Drought Contingency Plan

Memo

To: Nueces Water Supply Corporation, Board of Directors
From: John Marez, General Manager
Date: April 8, 2025
Topic: Updated Water Conservation and Drought Contingency Plan

Background:

Water is a critical resource for the South Texas Water Authority (STWA) and our wholesale water customers. Recognizing the increasing importance of long-term water supply planning, the Texas Commission on Environmental Quality (TCEQ) requires wholesale water suppliers to adopt and periodically update a Water Conservation and Drought Contingency Plan (WCP/DCP). With the on-going drought our region and regional water shed our area is experiencing the board must consider the recent changes adopted by the Corpus Christi City Council.

Section 11.039 of the Texas Water Code provides water suppliers with the authority to allocate water supplies on a pro rata basis during shortages.

Analysis:

Extended periods of drought and natural events beyond our control have the potential to disrupt water availability. An updated WCP/DCP ensures that NWSC can effectively manage water supply shortages, promote conservation efforts, and match our wholesaler's DCP while comply with TCEQ regulations. The revised plan, attached, outlines the necessary rules and policies to address both ongoing conservation efforts and emergency drought response.

The Board's adoption of the updated WCP/DCP confirms NWSC's commitment to proactive resource management and the responsible management of our water system's supply.

Staff Recommendation:

Staff recommends formal adoption of the updated Water Conservation and Drought Contingency Plan. It is further recommended that the Executive Director be authorized to implement, administer, and enforce the plan moving forward.

Board Action:

Adopt the updated Water Conservation and Drought Contingency Plan.

Summary:

On March 18, 2025, the Corpus Christi City Council adopted its updated Drought Contingency Plan and on March 25, 2025 the South Texas Water Authority Board of Directors updated their plan to match the city's plan. As a wholesale customer of the STWA , the Nueces Water Supply Corporation must also update and adopt its own plan to remain consistent with city policy and ensure coordinated water management across jurisdictions.

Background:

On March 18, 2025, the Corpus Christi City Council adopted its updated Drought Contingency Plan. On March 25, 2025, the South Texas Water Authority Board of Directors updated their plan to match the city's plan. As a wholesale customer of the STWA , the Nueces Water Supply Corporation must also update and adopt its own plan to remain consistent with city policy and ensure coordinated water management across jurisdictions.

**NUECES WATER SUPPLY CORPORATION
WATER CONSERVATION AND DROUGHT CONTINGENCY PLAN, 2025
Amended and Adopted April 8, 2025**

PART I—WATER CONSERVATION PLAN

Introduction

The Nueces Water Supply Corporation provides service to approximately 3,276 residents located in western Nueces County. The Corporation was created in 1983. Construction of facilities to service customers was completed in 1986. The rural system was built using a combination of grant and loan funds from the United States Department of Agriculture, formerly referred to as the Farmer's Home Administration. At that time, the system consisted of about 125 miles of PVC pipe ranging in size from 10" to 2" with a customer base of approximately 250 service connections. Since then, the distribution system has been expanded through various colonia projects and the customer base nearly quadrupled in size.

The Corporation supplies water for municipal, industrial, and institutional use in the rural areas surrounding Agua Dulce, Banquete, Driscoll, Bishop, and southwest of Robstown. Treated water is purchased on a wholesale basis from the Nueces Water Supply Corporation (NWSC). NWSC purchases its water from the City of Corpus Christi whose supply is from Lake Corpus Christi, Choke Canyon Reservoir System, Lake Texana and the lower Colorado River. Water from those sources is treated at the O.N. Stevens Water Treatment Plant before entering NWSC's Regional Transmission System and being delivered to six (6) pump station facilities that service the Corporation. Nueces Water Supply Corporation does not supply wastewater service.

Surface supplies available to the Corporation by virtue of its contract with NWSC and its contract with the City of Corpus Christi includes the following: Lake Corpus Christi stores 256,339 acre-feet of water, Choke Canyon Reservoir stores 662,821 acre-feet of water, and the 101-mile-long Mary Rhodes Pipeline delivers water through a 64-inch pipeline from Lake Texana near Edna, Texas. In 1993, the City of Corpus Christi entered into a contract with the Lavaca-Navidad River Authority to purchase 41,840 acre-feet of water per year. The City is currently contracted to divert 31,440 acre-feet after the LNRA recalled 10,400 acre-feet. Approximately 40 to 70 percent (40-70%) of the water used by the City of Corpus Christi is from Lake Texana through the Mary Rhodes Pipeline. In addition, in order to meet the demand of a growing Coastal Bend Region, the City purchased senior water rights to 35,000 acre-feet of water per year from the Garwood Irrigation Company which is part of the Lower Colorado River supply. Construction of Phase 2 of the Mary Rhodes Pipeline to access that water supply is now complete.

According to the City of Corpus Christi's Water Conservation Plan, the City diverts raw water from the Nueces River and Lake Texana into the O.N. Stevens Water Treatment Plant where it

passes through screens to remove large floating objects such as leaves, branches, and fish. From there, the water is treated to remove suspended particles and disinfected for human consumption. Approximately 23 billion gallons of water are treated each year. The O.N. Stevens Water Treatment Plant has a rated capacity of 167 million gallons per day, well above the peak summer demand of 100 million gallons per day.

According to the City of Corpus Christi's Water Conservation Plan and annual Consumer Confidence Reports, the City's Water Department operates in full compliance with all state and federal requirements. The City's Water Department also maintains a water laboratory.

The service area of the Nueces Water Supply Corporation is located within the Region N Planning area and the Corporation has provided a copy of this water conservation plan to the Region N Planning Group. The Corporation stays apprised of water conservation and supply issues through the General Manager's participation in the Coastal Bend Regional Water Planning Group.

Demand Profile

The Nueces Water Supply Corporation serves retail customers. As of December 2023, the Corporation has 1,092 service connections. The Corporation's 5-Year average water demand was approximately 160 million gallons. The monthly peak demand in the last 5 years was 20,233,200. The largest percentage of water use is from single-family residential usage. However, in 2023 out of 1,092 customers there were two (2) multi-family residential, three (3) institutional, twenty (20) commercial, and five (5) industrial customers that account for 0.7 MG, 30.8 MG, 5.5 MG and 2.3 MG of water use respectively.

Five-year and Ten-year targets

The Nueces Water Supply Corporation water conservation plan is focused on maintaining the current per capita per day usage. In 2013, the 5-year average per capita per day usage was 118 gallons. In 2017, the 5-year (2012-2016) average per capita per day usage was 150 gallons, but with an adjustment for the two (2) institutional connections, it was 116 gallons. The 2016 gpcd was 115 gallons. In 2024, the 5-year (2019-2023) average per capita per day usage is 144 gallons and 99 gallons when adjusted for the institutional connections. The 2023 gpcd was 96 gallons. The Board believes that the current 5-year average amount is well below the recommended statewide level of 140 gpcd and the customers (members) of the Corporation are making a concerted effort to use water in an efficient and non-wasteful manner. This is evident from the per capita usage figure in 2023. The 5-year and 10-year targets are to decrease total per capita per day usage by one percent each year.

The Corporation monitors unaccounted-for water. Table 1 provides figures on the amounts of water purchased and accounted-for as well as the unaccounted-for gallons for the last five years.

Fiscal Year	Gallons Purchased	Gallons Sold	Unaccounted-for Gallons	Percentage of Loss
2019	188,176,640	172,307,350	20,022,840	16.44%
2020	194,931,980	174,157,820	18,369,890	15.07%
2021	146,195,007	138,041,300	12,089,791	8.41%
2022	137,493,200	114,882,060	12,089,791	11.59%
2023	144,101,995	123,316,430	19,278,304	16.89%
AVG for 2019-2023	162,179,764	144,540,992	14,729,607	13.68%

Leak Detection and Repair:

In addition to the monthly water loss report and daily metering, field personnel periodically “drive-out” the routes of the lines. Major portions of the Corporation’s waterlines are located in rural farmlands; therefore, leaks that are not detected by employees are reported by landowners or tenant farmers. Changes in flow volumes from the daily readings also warn field technicians to a possible leak. NWSC’s master meters (wholesale) are tested annually by an outside company specializing in testing larger meters. In compliance with AWWA recommendations, for deviations from 100% that are greater than 2% (over or under), the meter is re-calibrated. Meters are also tested and if necessary repaired or replaced prior to the annual test date in the event the meter is exhibiting a malfunction.

Reservoir Systems Operations Plan:

The Nueces Water Supply Corporation does not own or operate any reservoir systems. The City of Corpus Christi is the responsible entity overseeing those tasks since the Corporation purchases water from NWSC and NWSC purchases water from the City of Corpus Christi.

Conservation Strategies:

- (A) Conservation-Oriented Water Rates—as mentioned in other sections, the Corporation has adopted an inclining block rate schedule.
- (B) The Corporation does not sell water to any customers for irrigation purposes; therefore, the Corporation does not have any programs to assist agricultural customers in the development of conservation pollution prevention and abatement plans.
- (C) The Corporation does not provide wastewater service; therefore, it does not have any programs for reuse and/or recycling of wastewater and/or graywater.

Future Contracts:

The Nueces Water Supply Corporation recognizes that a requirement in every future water supply contract entered into or renewed after official adoption of the water conservation plan, and including any contract extension, stipulates that each successive wholesale customer develop and implement a water conservation plan. If the customer intends to resell the water, then the contract between the initial supplier and customer must provide that the contract for the resale of the water must have water conservation requirements so that each successive customer in the resale of the water will be required to implement water conservation measures. At this time, the Corporation has only one (1) customer that is purchasing water by contract for re-sale. The Corporation will include those stipulations in any amendment or extension of that contract.

Implementation and Enforcement:

Attached, as Appendix A, is a copy of the resolution adopted by the Nueces Water Supply Corporation Board of Directors adopting the Water Conservation and Drought Contingency Plan.

Coordination with the Regional Water Planning Group:

Attached as Appendix B is a copy of the cover letter sent to the Nueces River Authority, administrator of the Coastal Bend Regional Water Planning Group.

Review and Update:

Beginning in May of 2009, the Nueces Water Supply Corporation reviewed and updated its Water Conservation and Drought Contingency Plan and will continue to review and update every five years. The Plan was also updated in 2013 and 2017 in response to the City of Corpus Christi modifying its Drought Contingency Plan. The most recent update was in June 2019 when the Plan was again updated in order to meet compliance with TCEQ rules. Periodic updates will occur, as appropriate, based on an assessment of previous five-year and ten-year targets and any other new or updated information. Therefore, the next review is scheduled to occur no later than May 1, 2029, and every five years after that date.

Best Management Practices

In recent years, the Corporation has reinforced conservation measures by sending conservation brochures and reminders in the form of pencils, magnets, and leak detection tablets for toilets. In addition, student-age children serviced by the Corporation benefit from the Major Rivers program provided by the NWSC, the Corporation's wholesale provider and contracted management team. The Corporation has and will continue to utilize Best Management Practices (BMPs) to insure that

water is not wasted. Six (6) BMPs have been implemented as part of the Corporation's ongoing water conservation efforts.

1. System Water Audit and Water Loss

A. Description

All water is metered as it leaves the NWSC's six (6) pump stations that serve the Corporation's customers. Water is metered for all retail customers. Wholesale meter readings and flow volumes are recorded daily via the NWSC's Supervisory Control and Data Acquisition system. A water loss report is calculated after the monthly meter reading date on the 10th of the month. The unaccounted-for water is tracked by comparing wholesale water entering the distribution system to the retail billing records and accounting for water used for flushing and construction and estimated amounts due to leaks. In 2023, the loss was 16.89%. The percentage loss for the previous four (4) years has been 16.44%, 15.07%, 8.41%, and 11.59%. The Corporation attempts to maintain unaccounted water rates at or below 10 percent through leak detection and repairs as well as a meter retrofit program.

B. Implementation

In 2008 the NWSC Board approved a major expenditure by replacing all of the retail meters with remote-read meters capable of tracking each customer's daily usage as well as recording any meter tampering. Despite this major investment, staff continues to perform water audit and water loss tasks in a systematic and periodic process. Each month, meter readers and billing staff work together to identify meters that are not working properly. A Service Order is written in triplicate. Meters are replaced at which time a Work Order (also in triplicate) is done listing the new meter number and pertinent billing information. These Work Orders are used by NWSC (the Corporation's contracted management) to generate the Corporation's monthly Repair Invoice. Most recently, in 2020, the Corporation purchased an additional 114 remote-read meters to replace meters at three subdivisions that require manual reading.

C. Schedule

The meter retrofit program is already implemented and will continue to be utilized.

D. Documentation

To track this BMP, the Corporation maintains the following documentation:

1. Each customer's (member) file contains a copy of the service order that initiates the process.
2. Service orders are filed in numerical order.
3. A copy of the Service Order is attached to the Work Order once the meter is "changed out".

4. Work Orders are filed with the Monthly Invoice.
5. Work Order copies are also filed in numerical order.
6. A copy of the Work Order is placed in the customer's (member) file.

E. Determination of Water Savings

Monthly water loss reports are compared to the number of meters that have been changed out for the month and those service orders yet to be completed.

2. Metering of All Connections

A. Description

The purpose of this BMP is to ensure that all water is accounted.

B. Implementation

The Corporation utilizes a 100% meter policy to insure that the maximum amount of consumption is recorded. The Corporation, as stated in the previous section, will continue its meter retrofit program and has for many years enlisted the practice recommended by the AWWA of notifying customers when it appears a leak exists on the customer's side of the meter.

The meter program includes the following:

1. Required metering of all connections.
2. An application for service that requires the customer (member) to provide the necessary information to determine the installation of adequate, proper-sized meters as determined by a customer's current water use patterns.
3. Direct utility metering of multi-unit/non-wholesale accounts.
4. Metering of all governmental facility service connections.
5. Use of construction meters.
6. Implementation of the State requirements in HB 2404, passed by the 77th Legislature Regular Session and implemented through Texas Water Code 13.502, which requires all new apartments be either directly metered by the utility or sub-metered by the owner.
7. Regular replacement of meters.
8. Meter reading in which readings are estimated only in cases of flooded conditions.

C. Schedule

The Corporation has already implemented this BMP, and will continue to utilize this BMP.

D. Documentation

The Corporation maintains records of the customer's (member) application and all service requests for construction. Information on all services is summarized in an Annual Report to the Board.

E. Determination of Water Savings

The Corporation reviews overall water loss and the dollars associated with unaccounted-for water during its annual fiscal audit performed by an outside consultant.

3. Water Conservation Pricing

A. Description

The Corporation's most recent rate increase occurred in 2024 when the monthly minimum became \$32.00 for zero gallons on the smallest residential size meter ($\frac{5}{8}$ " x $\frac{3}{4}$ "). In addition, the Corporation's inclining block schedule is meant to encourage conservation. A copy of the current rate structure is attached as Appendix C. The basic rate structure is designed to recover the cost of providing service and billing for water service. The rates include a consumption charge based upon actual gallons metered so that increasing water consumption results in a larger bill for the customer. Conservation pricing provides incentives to customers to reduce both average and peak use.

B. Implementation

The Corporation is of the opinion that current rates are, in fact, cost of service rates. However, periodically, staff conducts a rate study to determine whether the fixed and variable costs are appropriately allocated between the monthly minimum and per thousand gallon charges. The information is presented to the Board of Directors. The Board then considers factors including but not limited to infrastructure needs, current construction projects, projected cost of water from NWSC/City of Corpus Christi and current Reserve Fund balance.

C. Schedule

The Corporation will perform evaluations as the need warrants.

D. Documentation

To track this BMP, the Corporation maintains the following documentation:

1. A copy of its adopted rate tariff that follows the guidelines of this BMP;
2. Billing and customer records that include annual revenues by customer class and revenue derived from minimums and usage by customer class for the reporting period;
3. Monthly customer numbers and water consumption by customer class; and
4. Cost of service analyses done by staff through the years.

E. Determination of Water Savings

In the 40 years of operations, a large percentage of the Corporation's growth has been associated with grant projects done in partnership with Nueces County. These projects have been primarily associated with providing first-time service to residents living in colonias. Therefore, it is probable that there are socio-economic factors as well as more limited types of uses in a rural environment versus that of a large, incorporated city. Staff believes that the majority of rural usage is associated with indoor, basic needs (bathing, washing clothes, cooking, flushing toilets) versus that of outdoor watering.

4. Prohibition on Wasting Water

A. Description

Enforceable actions by a non-profit water supply corporation against a party that is wasting water is now possible by adoption of penalties as part of the water supply corporation's rate tariff. HB 1152 recently granted this authority. At this time, the Board of Directors is considering the necessary amendments to its tariff. However, the Corporation encourages all its customers and members to avoid:

1. Wasting water during irrigation;
2. Allowing outside faucets to leak;
3. Allowing service lines to leak (on the customer side of the meter);
4. Allowing sprinkler systems to leak; and
5. Installing non-recycling decorative water fountains.

Wasting water during irrigation includes:

1. Water running along the road;
2. Irrigation heads or sprinklers spraying directly on paved surfaces such as driveways, parking lots, and sidewalks in public right-of-ways;
3. Operation of an irrigation system with misting heads caused by water pressure higher than recommended design pressure for the heads, or broken heads;
4. Spray irrigation during summer months between the hours of 10 a.m. and 6 p.m.

B. Implementation

This BMP is implemented through educational brochures and notices.

C. Schedule

The Corporation has used notices and brochures in the past and will continue to do so in the future.

D. Documentation

To track this BMP, the Corporation maintains the following documentation:

1. Copies of water waste prohibition brochures and notices sent to customers/members; and
2. Copies of notices sent as a requirement of drought notices triggered by the City of Corpus Christi.

E. Determination of Water Savings

It is difficult to quantify and determine the water savings from this BMP due to the sporadic nature of these types of activities. However, pertinent notices and future actions taken by the Corporation will be documented by written correspondence to customers/members and filed for record. Any noticeable changes in consumption will also be of record.

5. And 6. Public Information and School Education

A. Description

The Corporation uses a limited number of media resources to notify customers on the importance of water conservation. This is due to the size and resources of the Corporation as well as the low gpcd. The Corporation recognizes the importance of public awareness and regional water resources.

B. Implementation

The Corporation, being a small rural system, is limited in the amount of funds that can be expended in public education and outreach. This factor coupled with the per capita per day gallon usage of 99 which is well below the state recommended goal of 140 gpcd serves to reinforce the modest size of the “media” campaign.

1. Printed Brochures—from time to time the Corporation has utilized printed brochures for topics such as Xeriscape, proper outdoor watering, and inside the home water savings tips.
2. School Education—through its purchase of water from NWSC, the Corporation supports the Major Rivers Program that was initiated in 1991 and revised for the 2003-2004 school year. Major Rivers is geared for 4th and 5th grade curriculum and exceeds the requirements of Texas Essential Knowledge and Skills (TEKS). In addition to general information on water resources in the State of Texas, the program focuses on conservation, supply, treatment, and distribution. The self-contained program offers academic and hands-on activities in math, language arts, science, and social studies, with teacher’s guide geared to the interdisciplinary curriculum, as well as an

introductory video and home information leaflets. The program includes pre- and post-test evaluations.

NWSC, wholesale supplier of the Corporation and provider of the Major Rivers program, maintains the following documentation:

1. Number of schools provided the information;
2. Copies of program marketing and educational materials; and
3. Annual budget for school education programs related to conservation.

C. Schedule

The Corporation has used and will continue to use these methods to educate and reach customers regarding the importance of water conservation and wise use of water.

D. Documentation

To track the progress of this BMP, the Corporation maintains records and copies of all brochures and educational information sent to customers:

E. Determination of Water Savings

Water savings associated public information efforts are difficult to quantify. However, the Corporation believes that education is instrumental in efficient use of water.

PART II—DROUGHT CONTINGENCY PLAN

The following Part II of the Water Conservation and Drought Contingency Plan is Nueces Water Supply Corporation's Drought Contingency Plan adopted by Board resolution on July 16, 2024.

Section I: Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use and sanitation, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of water supply shortage or other water supply emergency conditions, the Nueces Water Supply Corporation hereby adopts the following regulations and restrictions on the delivery and consumption of water.

The Nueces Water Supply Corporation will include a provision in every wholesale water contract entered into or renewed after adoption of the Plan, including contract extensions, that in the case of a shortage of water resulting from drought, the water to be distributed shall be divided in accordance with Texas Water Code, §11.039. In addition, in the event that the triggering criteria specified in the Plan have been met, the General Manager is hereby authorized to initiate allocation of water supplies on a pro rata basis in accordance with Texas Water Code, §11.039.

Water uses regulated or prohibited under this Drought Contingency Plan (the Plan) are considered to be non-essential and continuation of such uses during times of water shortage or other emergency water supply condition are deemed to constitute a waste of water which subjects the offender(s) to penalties as defined in Section XI of this Plan.

Section II: Public Involvement

Opportunity for the public to provide input into the preparation of the Plan was provided by the Nueces Water Supply Corporation by means of a public meeting held in compliance with the Open Meetings Act.

Section III: Public Education

The Nueces Water Supply Corporation will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by means of utility bill inserts.

Section IV: Coordination with Regional Water Planning Groups

The service area of the Nueces Water Supply Corporation is located within the Coastal Bend Regional Water Planning Group (Region N) and Nueces Water Supply Corporation will provide a copy of this Plan to the Coastal Bend Regional Water Planning Group.

Section V: Authorization

The General Manager, or his/her designee, is hereby authorized and directed to implement the applicable provisions of this Plan upon determination that such implementation is necessary to protect public health, safety, and welfare. The Board of Directors shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan.

Section VI: Application

The provisions of this Plan shall apply to all persons, customers, and property utilizing water provided by the Nueces Water Supply Corporation. The terms “person” and “customer” as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities.

Section VII: Definitions

For the purposes of this Plan, the following definitions shall apply:

Aesthetic water use: water use for ornamental or decorative purposes such as fountains, reflecting pools, and water gardens.

Animal Unit (AU): An Animal Unit is equal to one (1) beef cow. The following livestock are equivalent based on the following multiplication factors:

Slaughter and feed cattle	1.0
Mature dairy cattle	1.42
Swine	0.40
Sheep or lambs	0.10
Goats	0.10
Horses	2.0
Turkeys	0.0182
Hens/broilers	0.0154

Commercial and institutional water use: water use which is integral to the operations of commercial and non-profit establishments and governmental entities such as retail establishments, hotels and motels, restaurants, and office buildings.

Conservation: those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Customer: any person, company, or organization using water supplied by Nueces Water Supply Corporation.

Domestic water use: water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry, or institution.

Even number address: street addresses, box numbers, or rural postal route numbers ending in 0, 2, 4, 6, or 8 and locations without addresses.

Industrial water use: the use of water in processes designed to convert materials of lower value into forms having greater usability and value.

Institutional water use: the use of water in processes designed to convert materials of lower value into forms having greater usability and use.

Landscape irrigation use: water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, and rights-of-way and medians.

Non-essential water use: water uses that are not essential nor required for the protection of public health, safety, and welfare, including:

- (a) irrigation of landscape areas, including parks, athletic fields, and golf courses, except otherwise provided under this Plan;
- (b) use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle;
- (c) use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- (d) use of water to wash down buildings or structures for purposes other than immediate fire protection;
- (e) flushing gutters or permitting water to run or accumulate in any gutter or street;
- (f) use of water to fill, refill, or add to any indoor or outdoor swimming pools or jacuzzi-type pools;
- (g) use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to support aquatic life;
- (h) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and
- (i) use of water from hydrants for construction purposes or any other purposes other than fire fighting.

Odd numbered address: street addresses, box numbers, or rural postal route numbers ending in 1, 3, 5, 7, or 9.

Reservoir Capacity: the combined reservoir storage levels of Choke Canyon Reservoir and Lake Corpus Christi, as measured in percentage of the full combined volume.

Section VIII: Triggering Criteria for Initiation and Termination of Drought Response Stages

The Board of Directors shall monitor water supply and/or demand conditions as conditions develop and shall determine when conditions warrant initiation or termination of each stage of the Plan. Public notification of the initiation or termination of drought response stages shall be by means of direct mail to each customer or other methods as allowed by TCEQ.

A. Water Shortage Watch

The Nueces Water Supply Corporation will declare and advise its wholesale customers that a water shortage watch exists when combined water stored in the reservoirs is estimated to be below fifty percent (50%) of total combined storage capacity of the Lake Corpus Christi/Choke Canyon Reservoirs.

B. Stage 1 – Mild Water Shortage

Requirements for initiation – Customers shall be requested to voluntarily conserve water and adhere to prescribed restrictions on certain non-essential water uses described in Section X when the combined storage level of Choke Canyon Reservoir and Lake Corpus Christi declines below 40%.

C. Stage 2 – Moderate Water Shortage

Requirements for initiation - The Nueces Water Supply Corporation will declare and advise its wholesale customers that a severe water shortage exists when the combined storage capacity of the Lake Corpus Christi/Choke Canyon Reservoirs is less than 30%.

D. Stage 3 – Critical Water Shortage

Requirements for initiation – The Nueces Water Supply Corporation will declare and advise its wholesale customers that a critical water shortage exists when the combined storage capacity of the Lake Corpus Christi/Choke Canyon Reservoirs is less than 20% of total storage capacity.

E. Stage 4 – Water Emergency

- **Level 1 & 2**

- a. Nueces Water Supply Corporation will declare and advise its wholesale customers that an emergency water shortage condition exists in the event of:
- b. A major water line break or breaks and/or pump station failures, whether owned and operated by Nueces Water Supply Corporation, or the South Texas Water Authority, or City of Corpus Christi, which cause unprecedented loss of capability to provide water service, or
- c. Water production limitations associated with the South Texas Water Authority or City of Corpus Christi's water treatment facilities, or
- d. A natural or man-made contamination of the water supply source(s).

Section IX: Drought Response Stages

The General Manager, or designee, shall monitor water supply and/or demand conditions on a weekly basis and, in accordance with the triggering criteria set forth in Section VIII of this Chapter, shall determine that a mild, moderate, critical, or emergency water shortage condition exists and shall implement the following notification procedures.

Notification of Corporation Customers and Members:

The General Manager, or designee, shall notify its customers for every change in drought stage status by any or all of the following:

- Publication in local periodicals/social media
- Notice on the monthly billing
- Public Service Announcements
- Signs posted in public places
- Posting on the Corporation's website, www.nueceswsc.com

Additional Notification:

The General Manager, or designee shall, at a minimum, notify directly, or cause to be notified directly, the following individuals and entities for every change in drought stage status:

- The Corporation Board of Directors
- Major water users (such as industries)
- Critical water users
- Texas Commission on Environmental Quality (TCEQ) – note TCEQ General Manager MUST be informed within five (5) business days of mandatory water use restrictions being imposed

X. Drought Best Management Practices Per Stage

A summary of water use reduction targets for each drought stage response is presented in the following table. Further discussion on best management practices and implementation practices associated with each stage of response is included below. During Stages 2, 3, and Water Emergency Level 1 & 2, requests for exceptions may be presented to the General Manager or designee.

Drought Stage Response	CCR/LCC Combined Reservoir Storage Level	Target Demand Reduction Levels
Water Shortage Watch	<50%	5%
Stage 1 – Mild Water Shortage	<40%	5%
Stage 2 – Severe Water Shortage	<30%	10%
Stage 3 – Critical Water Shortage	<20%	15%
Water Emergency -Level 1 -Level 2	Not Applicable	25% 50%

(a) Water Shortage Watch

Requirements for initiation - The Nueces Water Supply Corporation will declare and advise its wholesale customers that a water shortage watch exists when combined water stored in the reservoirs is estimated to be below fifty percent (50%) of total combined storage capacity of the Lake Corpus Christi/Choke Canyon Reservoirs.

Target: Achieve a voluntary 5% reduction in daily water with the water use conditions below.

Best Management Practices for Supply Management: The NWSC will enact voluntary measures to reduce or discontinue the flushing of water mains if practicable and utilize reclaimed water for non-potable uses to the greatest extent possible. The NWSC will actively promote educational messages in the media about how to reduce water use through conservation practices, and rules of the drought stages.

Water Use Conditions for Reducing Demand:

- a) Water customers are requested to voluntarily limit the irrigation of landscaped areas to once per week.
- b) Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.
- c) All operations of the NWSC shall adhere to water use restrictions prescribed for Stage 1.
- d) Water smart techniques will be promoted by NWSC leadership, Board and O&M department.

(b) Stage 1 – Mild Water Shortage

Requirements for initiation - The Nueces Water Supply Corporation will declare and advise its wholesale customers that a mild water shortage condition exists when combined water stored in the reservoirs is estimated to be forty percent (40%) of total combined storage capacity of the Lake Corpus Christi/Choke Canyon Reservoirs.

Target: During Stage 1, achieve a 5% reduction in daily treated water demand relative to treated water demand with the water use restrictions below.

Best Management Practices for Supply Management: Under Stage 1, the City will:

- Use more repair crews if necessary to allow for a quicker response time for waterline leak repair; and
- City crews (Water and other departments) begin monitoring customers' compliance with Stage 1 restrictions during the course of their daily rounds.
- Increase targeted outreach to high-consumption industrial and commercial customers to urge water use reductions.
- Increase public education and outreach regarding water use reduction by using the following practices:
 - o Use an aerator and/or a water flow-reducer attachment on your tap to reduce your water usage.
 - o When brushing your teeth, turn the water off while you are brushing. Use short bursts of water for cleaning your brush.
 - o When washing or shaving, partially fill the sink and use that water rather than running the tap continuously.
 - o Use either low-flow shower heads or adjustable flow-reducer devices on your shower heads.
 - o Take shorter showers.
 - o You can reduce water usage by 40% to 50% by installing low-flush toilets.
 - o When hand-washing dishes, never run water continuously.
 - o If you have a dishwasher appliance, use it only to wash full loads, and use the shortest cycle possible.
 - o Wash only full loads in your washing machine and use the shortest cycle possible.
 - o Repair leaks quickly. Clean outdoor surfaces with a broom, not a hose.
 - o Water during the cool part of the day, in the morning or evening.
 - o Do not over water in anticipation of a shortage. Soil cannot store extra water.

Water Use Restrictions for Demand Reduction Under threat of penalty for violation, the following water use restrictions shall apply to all persons during Stage 1: a) Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems shall be limited to once per week. The watering schedule will be determined by the General Manager or designee. Irrigation of landscaped areas is permitted on any day if it is by means of a hand-held hose (with positive shutoff nozzle), a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system with a positive shutoff device.

(c) Stage 2 – Severe Water Shortage

Requirements for initiation - The Nueces Water Supply Corporation will declare and advise its wholesale customers that a severe water shortage exists when the combined storage capacity of the Lake Corpus Christi/Choke Canyon Reservoirs is less than 30%.

Requirements for termination - Stage 2 of the Plan may be rescinded when the combined storage capacity level of the LCC/CCR increases to above 40%. Upon termination of Stage 2, Stage I becomes operative. The Nueces Water Supply Corporation will notify its wholesale customers and the public of the termination of Stage 2 in the same manner as the notification of initiation of Stage I of the Plan, if applicable.

- Eliminate the flushing of water mains unless required for decontamination and/or public safety;
- and • Review customers' water usage for compliance based on the previous month's water use and notify violators verbally or in writing as the situation dictates.
- Increase public education and outreach regarding water use reduction by using the following practices:
 - o Use an aerator and/or a water flow-reducer attachment on your tap to reduce your water usage.
 - o When brushing your teeth, turn the water off while you are brushing. Use short bursts of water to clean your brush.
 - o When washing or shaving, partially fill the sink and use that water rather than running the tap continuously.
 - o Use either low-flow shower heads or adjustable flow-reducer devices on your shower heads.
 - o You can reduce water usage by 40% to 50% by installing low-flush toilets.
 - o When hand-washing dishes, never run water continuously.
 - o If you have a dishwasher appliance, use it only to wash full loads.
 - o Wash only full loads in your washing machine and use the shortest cycle possible.
 - o Fix leaks quickly.
 - o Clean outdoor surfaces with a broom, not a hose
 - o Do not overwater in anticipation of a shortage. Soil cannot store extra water

Water Use Restrictions for Demand Reduction: All requirements of Stage 1 shall remain in effect during Stage 2 except as modified below:

- a) Irrigation of landscaped areas with hose-end sprinklers and automatic irrigation systems shall be limited to once every other week. Customers should select one designated watering day per week. However, irrigation of landscaped areas is permitted on any day if it is by means of a hand-held hose (with positive shutoff nozzle), a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system with a positive shutoff device.
- a). Exceptions for this restriction may be permitted, upon review and approval by the General Manager or designee, for the following uses: new plantings (for up to 60 days), vegetable gardens, athletic playing fields, and botanical gardens. In addition, this restriction does not apply to customers irrigating with well water or an aerobic septic system. The watering of golf course fairways with potable water is prohibited.
- b) The watering of greens and tees are limited to once every other week unless the golf course utilizes reclaimed water or a water source or done by means of hand-held hoses, or hand-held buckets, or drip irrigation.
- c) A person or entity who owns, leases or manages an outdoor swimming pool shall begin preparation for Stage 3 requirement to have approximately 100 percent of the pool surface area covered when not in use.
- d) Hotels, motels, and other lodgings must offer and clearly notify guests of a "linen/towel change on request only" program.
- e) Use of water to wash a motor vehicle, not occurring on the premises of a commercial car wash, is allowed on the self-designated watering day.

Optional Measures: During Stage 2, the following measures are optional water use restrictions that may be implemented by the General Manager or designee, with Board approval, as conditions warrant:

- a) For residential and multi-unit customers, a drought surcharge of up to and including 100% of

the total monthly water bill over the monthly allocation may be added to the customers' bill to deter discretionary water use.

(d) Stage 3 – Critical Water Shortage

Requirements for initiation - The Nueces Water Supply Corporation will declare and advise its wholesale customers that a critical water shortage exists when the combined storage capacity of the Lake Corpus Christi/Choke Canyon Reservoirs is less than 20% of total storage capacity.

Requirements for termination - Stage 3 of the Plan may be rescinded when the combined storage capacity level of the LCC/CCR increases to above 30%. Upon termination of Stage 3, Stage 2 becomes operative. The Nueces Water Supply Corporation will notify its wholesale customers and the media of the termination of Stage 3 in the same manner as the notification of Stage 2 initiation, if applicable.

An additional surcharge will be added to each utility bill during Stage 3 water shortage conditions to discourage discretionary water use.

In addition to the best management practices for supply management listed under Stage 2, the City will also do the following during Stage 3:

- Upon written notice, disconnect the water meters of willful violators if absolutely necessary to prevent the deliberate wasting of water.
- Increase public education and outreach regarding water use reduction by using the following practices:
 - o Use an aerator and/or a water flow-reducer attachment on your tap to reduce your water usage.
 - o When brushing your teeth, turn the water off while you are brushing. Use short bursts of water for cleaning your brush.
 - o When washing or shaving, partially fill the sink and use that water rather than running the tap continuously.
 - o Use either low-flow shower heads or adjustable flow-reducer devices on your shower heads.
 - o You can reduce water usage by 40% to 50% by installing low-flush toilets.
 - o When hand-washing dishes, never run water continuously.
 - o If you have a dishwasher appliance, use it only to wash full loads.
 - o Wash only full loads in your washing machine and use the shortest cycle possible.
 - o Repair leaks quickly.
 - o Clean outdoor surfaces with a broom, not a hose. Do not over water in anticipation of a shortage. Soil cannot store extra water.

Water Use Restrictions for Demand Reduction: All requirements of Stage 1 and 2 shall remain in effect during Stage 3 except as modified below:

- Irrigation of landscaped areas turf grass by any means shall be prohibited at all times.
- Drip irrigation for foundations and landscaped beds is allowed every other week on the designated watering schedule. A watering schedule will be determined by the General Manager or designee. Customers will be made aware of their designated watering day.
- Watering of trees, vegetable beds, shrubs, and potted plants is permitted on any day if it is by means of a handheld hose (with a positive shutoff nozzle), a faucet-filled bucket, or a watering can of five (5) gallons or less.
- Exceptions for Stage 3 restrictions may be permitted up to 30 days, upon review and approval by the General Manager or designee, for new plantings. In addition, this restriction does not apply to customers irrigating

with well water or an aerobic septic system. • Use of water to wash a motor vehicle, not occurring on the premises of a commercial car wash station, is allowed by hand, with a five (5) gallon bucket or less on the designated watering day. Use of water to wash any motor vehicle, motorbike, boat, trailer, or other vehicle not occurring on the premises of a commercial car wash stations and not in the immediate interest of public health, safety, and welfare is prohibited. • The filling, refilling, or adding of water to swimming pools, wading pools, and jacuzzi-type pools, and water parks is prohibited. • The filling, draining and refilling of an existing swimming pool, Jacuzzi and hot tubs is prohibited except to maintain structural integrity. • A person or entity who owns, leases, or manages an outdoor swimming pool shall have approximately 100% of the pool surface area covered when not in use. • Operators of water parks must seek approval from the General Manager or designee prior to the filling, refilling, or adding water to water parks. • The use of water to maintain the integrity of a building foundation is still permitted on the designated Stage 2 watering day. • All fountains shall only operate to circulate water in order to maintain equipment. • Hotels, motels, and other lodgings must offer and clearly notify guests of a “linen/towel change on request only” program.

Optional Measures: During Stage 3, the following measures are optional water use restrictions that may be implemented by the General Manager or designee, with Board approval, as conditions warrant: a) No application for new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be approved, and time limits for approval of such applications are hereby suspended for such time as this drought response stage shall be in effect. For residential and multi-unit customers, a drought surcharge of up to and including ___ of the total monthly water bill over the monthly allocation may be added to the customers’ bill to deter discretionary water use.

(e) Water Emergency – Level 1

Requirements for initiation - Nueces Water Supply Corporation will declare and advise its wholesale customers that an emergency water shortage condition exists in the event of:

- a) A major water line break or breaks and/or pump station failures, whether owned and operated by Nueces Water Supply Corporation or the City of Corpus Christi, which cause unprecedented loss of capability to provide water service, or
- b) Water production limitations associated with the City of Corpus Christi's water treatment facilities, or
- c) A natural or man-made contamination of the water supply source(s).

Requirements for termination - Stage 4 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist and are rescinded by the Corpus Christi City Manager or Nueces Water Supply Corporation General Manager, whoever is applicable.

In the event that triggers – Level 1 Water Emergency of the DCP is met, NWSC General Manager or designee is hereby authorized to implement pro-rata curtailment of water supplies to all customers in accordance with Texas Water Code §11.039. The initiation of pro-rata curtailment preparations shall begin during Stage 3. Target: During a Level 1 Water Emergency, pro-rata curtailment will be required and may start at 5% or greater reduction of total water demand, depending on the forecasted water supply conditions. Surcharges and allocations are enforceable during a Water Emergency.

Best Management Practices for Supply Management: In addition to the best management practices for supply management listed under Stage 3, the NWSC will also do the following: • Implement a planned public campaign to inform all customers of the water emergency and to mandate the immediate curtailment of water. • Contact wholesale water customers to discuss water supply and/or demand conditions and inform them about the initiation of mandatory measures to curtail their water consumption as necessary. • Contact large-volume/industrial users to discuss water supply and/or demand conditions and inform them about the initiation of mandatory measures to curtail their water consumption as necessary.

Water Use Restrictions for Demand Reduction: During a Level 1 Water Emergency, all requirements of Stage 1, 2, and 3 shall remain in effect except as modified below: a) Irrigation of all landscaped areas is absolutely prohibited. b) Use of water to wash any motor vehicle, motorbike, boat, trailer, or other vehicle is absolutely prohibited. c) Associated uses of water not related to business processes which are discretionary, such as equipment washing, shall be deferred until the water emergency has been terminated.

(f) Water Emergency – Level 2

Target: During a Level 2 Water Emergency, achieve the necessary reduction in daily water demand to meet minimum system pressure requirements with the below water use restrictions. In addition, during a Level 2 Water Emergency all requirements from a Level 1 Water Emergency may be authorized under this section. Surcharges and curtailments are enforceable during a Water Emergency. During a water emergency such as a catastrophic failure of infrastructure or cross-connection contamination, the NWSC shall implement all necessary measures to protect public health and safety.

Best Management Practices for Supply Management: In addition to the best management practices for supply management listed under Stage 3, the NWSC will also do the following: • Implement a public campaign to inform all customers of the water emergency and to mandate the immediate curtailment of water. • Contact wholesale water customers to discuss water supply and/or demand conditions and inform them about the initiation of mandatory measures to curtail their water consumption as necessary. • Contact large-volume/industrial users to discuss water supply and/or demand conditions and inform them about the initiation of mandatory measures to curtail their water consumption as necessary. **Water Use Restrictions for Demand Reduction:** During a water emergency, all requirements of Stage 1, 2, and 3 shall remain in effect except as

modified below: a) Irrigation of all landscaped areas is absolutely prohibited. b) Use of water to wash any motor vehicle, motorbike, boat, trailer, or other vehicle is absolutely prohibited. c) Associated uses of water not related to business process which are discretionary, such as equipment washing, shall be deferred until the water emergency has been terminated.

1. Optional Measures: During Stage 4, the following measure is an optional water use restriction that may be implemented by the General Manager or designee, with NWSC approval, as conditions warrant: a) For residential and multi-unit customers, a drought surcharge of up to and including 100% of the total monthly water bill over the monthly allocation may be added to the customers' bill to deter discretionary water use. During a Level 1 or Level 2 Water Emergency, the following measure is an optional water use restriction that may be implemented by the General Manager or designee, with Board approval, as conditions warrant: a) No application for new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be approved, and time limits for approval of such applications are hereby suspended for such time as this drought stage shall be in effect.

XI. Surcharges for Drought Stages 3 – 4 and Service Measures

A. General

1. The surcharges established herein are solely intended to regulate and deter the use of water during a period of serious drought in order to achieve necessary water conservation. The Corporation expressly finds that the drought poses a serious and immediate threat to the public and economic health and general welfare of this community, and that the surcharges and other measures adopted herein are essential to protect said public health and welfare.
2. This section, and the surcharges and measures adopted herein are an exercise of the Corporation's regulatory and police power, and the surcharges and connection fees are conservation rates intended to meet fixed costs as a result of lost revenue.
3. With Board approval, the General Manager is authorized to determine trigger points or allocations and surcharges during Stages 3 and 4 Emergency Water Shortage conditions.
4. A customer may appeal an allocation or drought surcharge triggering point established under this Section to the General Manager or designee on grounds of unnecessary hardship, through the process outlined in Section XII.
5. Drought surcharge funds will first be applied towards annual debt service as reflected in the Corporation's operating budget to offset revenue loss due to drought conditions. Additional funds will be reported to the Board for Board direction.

- B. Residential water customers, who are not billed through a master water meter.
1. A monthly base amount of 4,000 gallons shall be established as a trigger point for each customer. Water consumption up to and including this amount will not include a drought surcharge.
 2. Above the 4,000 gallon consumption trigger point, with Board approval, a drought surcharge shall be added up to and including 100% of the customer's total monthly water bill over the allocation.
- C. Residential customers who are billed from a master water meter.
1. Once Stage 2 condition has been declared, property managers of multi-tenant units shall notify the General Manager of the number of residential units in their facility for determination of allocations. Until so notified, the Corporation shall calculate the allocation based on two residential units per master water meter. A monthly base amount of 4,000 gallons shall be established as a trigger point for each residential unit.
 2. When consumption for the month is less than or equal to 4,000 gallons times the number of residential units, there will be no surcharge.
 3. With Board approval, when consumption is above the 4,000 gallons times the number of units, a drought surcharge shall be added up to and including 100% of the customer's total monthly water bill over the allocation.
 4. The customer is responsible for passing the demand charge onto the tenant.
- D. Commercial or institutional customer
1. A monthly water usage allocation shall be established by the General Manager or designee for each commercial or institutional customer.
 2. Method of establishing allocation:
 - a. When the combined reservoir capacity is less than 20% of total capacity (Stage 3), the commercial or institutional customer's allocation shall be 90 percent of the customer's usage for the corresponding month's billing period during previous 12 months prior to the implementation of Stage 2.
 - b. If the customer's billing history is shorter than 12 months, the monthly average for the period for which there is a record shall be used for any monthly period for which no history exists.
 - c. Provided, however, a customer, 90 percent of whose monthly usage is less than 6,000 gallons, shall be allocated 6,000 gallons.
 - d. The General Manager shall give best effort to see that notice of each commercial or institutional customer's allocation is mailed to such customer.
 - e. If, however, the customer does not receive such notice, it shall be the customer's responsibility to contact the Corporation's Office to determine the allocation, and the allocation shall be fully effective notwithstanding lack of receipt of written notice.

- f. Upon request of the customer or at the initiative of the General Manager, the allocation may be reduced or increased,
 - (1) if one nonresidential customer agrees to transfer part of its allocation to another nonresidential customer, or
 - (2) if other objective evidence demonstrates that the designated allocation is inaccurate under present conditions.

E. Industrial customers, who use water for processing.

- 1. A monthly water usage allocation shall be established by the General Manager or designee for each industrial customer, which uses water for processing (e.g., an industrial customer).
- 2. Method of establishing allocation.
 - a. When the combined reservoir capacity is less than 20% of total capacity (Stage 3), the industrial customer allocation shall be 90 percent of the customer's usage for the corresponding month's billing period during the previous 12 months prior to the implementation of Stage 2
 - b. If the customer's billing history is shorter than 12 months, the monthly allocation shall be 1/12 of 90% of the customer's maximum annual contracted amount until 12 months of billing history are established. However if the industrial customer does not have a water contract and does not have at least 12 months of billing history, then the new industrial customer will provide data regarding expected water use and Corporation will determine allocation based on 90% of expected use to determine initial allocation until 12 months of billing history are established.
 - c. The General Manager shall give his/her best effort to see that notice of each industrial customer's allocation is mailed to such customer.
 - d. If, however, the customer does not receive such notice, it shall be the customer's responsibility to contact the Corporation's Office to determine the allocation, and the allocation shall be fully effective notwithstanding lack of receipt of written notice.
 - e. Upon request of the customer or at the initiative of the General Manager, the allocation may be reduced or increased, if:
 - 1. The designated period does not accurately reflect the customer's normal water usage because customer had shut down a major processing unit for overhaul during the period.
 - 2. The customer has added or is in the process of adding significant additional processing capacity.
 - 3. The customer has shut down or significantly reduced the production of a major processing unit.
 - 4. The customer has previously implemented significant permanent water conservation measures.

5. The customer agrees to transfer part of its allocation to another industrial customer.
6. Other objective evidence demonstrates that the designated allocation is inaccurate under present conditions.

F. Commercial, institutional, and industrial customers shall pay the following surcharges:

1. Customers whose allocation is 6,000 gallons through 20,000 gallons per month:
 - a. \$5.00 per 1,000 gallons for the first 1,000 gallons over allocation.
 - b. \$8.00 per 1,000 gallons for the second 1,000 gallons over allocation.
 - c. \$16.00 per 1,000 gallons for the third 1,000 gallons over allocation.
 - d. \$40.00 for each additional 1,000 gallons over allocation.
2. Customers whose allocation is 21,000 gallons per month or more:
 - a. One times the block rate for each 1,000 gallons in excess of the allocation up through 5 percent above allocation.
 - b. Three times the block rate for each 1,000 gallons from 5 percent through 10 percent above allocation.
 - c. Five times the block rate for each 1,000 gallons from 10 percent through 15 percent above allocation.
 - d. Ten times the block rate for each 1,000 gallons more than 15 percent above allocation.
 - e. The surcharges shall be cumulative.
 - f. As used herein, "block rate" means the charge to the customer per 1,000 gallons at the regular water rate schedule at the level of the customer's allocation.

G. Nonresidential customer is billed from a master meter.

1. When a nonresidential customer is billed from a master meter which jointly measures water to multiple residential dwelling units (for example: apartments, mobile homes), the customer may pass along any surcharges assessed under this DCP to the tenants or occupants, provided that:
 - a. The customer notifies each tenant in writing:
 1. That the surcharge will be passed along.
 2. How the surcharge will be apportioned.
 3. That the landlord must be notified immediately of any plumbing leaks.
 4. Methods to conserve water (which shall be obtained from the Corporation).
 - b. The customer diligently maintains the plumbing system to prevent leaks.
 - c. The customer installs water saving devices and measures (ideas for which are available from the Corporation) to the extent reasonable and practical under the circumstances.

H. Water service to the retail water customer may be terminated under the following conditions:

1. Monthly residential water usage exceeds allocation by 4,000 gallons or more two or more times for any individual month after the implementation of Stage 3. Also, the two months need not be consecutive months.
2. Monthly water usage on a master meter which jointly measures water usage to multiple residential dwelling units exceeds allocation by 4,000 gallons times the number of dwelling units or more two or more times (which need not be consecutive months).
3. Monthly nonresidential water usage for a customer whose allocation is 6,000 gallons through 20,000 gallons exceeds its allocation by 7,000 gallons or more two or more times (which need not be consecutive months).
4. Monthly nonresidential water usage for a customer whose allocation is 21,000 gallons or more exceeds its allocation by 15 percent or more two or more times (which need not be consecutive months).
5. For residential customers and nonresidential customers whose allocation does not exceed 20,000 gallons, after the first disconnection water service shall be restored upon request for a fee of \$60, Monday through Friday prior to 4 pm. Restoration of service is not available on weekends or observed holidays.
6. For such customers, after the second disconnection, water service shall be restored within 24 hours of the request for a fee of \$500.
7. If water service is disconnected a third time for such customer, water service shall not be restored until the Corporation re-enters a level of water conservation less than Stage 2.
8. For master meter customers, the service restoration fees shall be the same as above times the number of dwelling units.
9. For nonresidential customers whose allocation is 21,000 gallons per month or more:
 - a. After the first disconnection water service shall be restored upon request, Monday through Friday prior to 4 p.m. for a fee in the amount of "X" in the following formula:
$$X = \$60 \times \text{Customer's Allocation in gallons} / 20,000 \text{ gallons}$$
 - b. After the second disconnection for said customers, water service shall be restored within 24 hours of the request for a fee of 10 times "X".
 - c. If water service is disconnected a third time for such customer, water service shall not be restored until the Corporation re-enters a level of water conservation less than Stage 2.
 - d. The General Manager is directed to institute written guidelines for disconnection of water service under this provision, which will satisfy minimum due process requirements, if any.

- I. It shall be a defense to imposition of a surcharge hereunder, or to termination of service, that water used over allocation resulted from loss of water through no fault of the customer (for example, a major water line break) for the following conditions:
 1. The customer shall have the burden to prove such defense by objective evidence (for example, a written certification of the circumstances by a plumber).
 2. A sworn statement may be required of the customer.
 3. This defense shall not apply if the customer failed to take reasonable steps for upkeep of the plumbing system, failed to reasonably inspect the system and discover the leak, failed to take immediate steps to correct the leak after discovered, or was in any other way negligent in causing or permitting the loss of water.

- J. When this section refers to allocation or water usage periods as "month," monthly," "billing period," and the like, such references shall mean the period in the Corporation's ordinary billing cycle which commences with the reading of a meter one month and commences with the next reading of that meter which is usually the next month.
 1. The goal for the length of such period is 30 days, but a variance of two days, more or less, will necessarily exist as to particular meters.
 2. If the meter reader system is prevented from timely reading a meter by any obstacle which is attributable to the customer, the original allocation shall apply to the longer period without modification.

Section XII: Variances

The Board of Directors, may, in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health, sanitation, or fire protection for the public or the person requesting such variance and if one or more of the following conditions are met:

- a. Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.
- b. Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Plan shall file a petition for variance with the Nueces Water Supply Corporation within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by Board of Directors, or his/her designee, and shall include the following:

- a. Name and address of the petitioner(s).
- b. Purpose of water use.
- c. Specific provision(s) of the Plan from which the petitioner is requesting relief.
- d. Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Plan.

- e. Description of the relief requested.
- f. Period of time for which the variance is sought.
- g. Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
- h. Other pertinent information.

Variations granted by the Nueces Water Supply Corporation shall be subject to the following conditions, unless waived or modified by the Board of Directors:

- a. Variations granted shall include a timetable for compliance.
- b. Variations granted shall expire when the Plan is no longer in effect, unless the petitioner has failed to meet specified requirements.

No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

Section XIII: Severability

It is hereby declared to be the intention of the Board of Directors of the Nueces Water Supply Corporation that the sections, paragraphs, sentences, clauses, and phrases of this Plan are severable and, if any phrase, clause, sentence, paragraph, or section of this Plan shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Plan, since the same would not have been enacted by the Board of Directors of the Nueces Water Supply Corporation without the incorporation into this Plan of any such unconstitutional phrase, clause, sentence, paragraph, or section.

ATTACHMENT 6

Resolution 25-03

NUECES WATER SUPPLY CORPORATION

Resolution 25-03

RESOLUTION OF THE BOARD OF DIRECTORS ADOPTING AN AMENDED WATER CONSERVATION AND DROUGHT CONTINGENCY PLAN FOR THE NUECES WATER SUPPLY CORPORATION.

WHEREAS, the Board recognizes that the amount of water available to the Nueces Water Supply Corporation and to its water utility customers is limited and subject to depletion during periods of extended drought; and

WHEREAS, the Nueces Water Supply Corporation recognizes that natural limitations due to drought conditions and other acts of God cannot guarantee an uninterrupted water supply for all purposes; and

WHEREAS, the Texas Commission on Environmental Quality requires all public water supply systems in Texas to prepare a Water Conservation and Drought Contingency Plan; and

WHEREAS, the Texas Water Code Section 11.039 authorized water suppliers to distribute available water supplies on a pro rata basis during times of water supply shortage; and

WHEREAS, as authorized under law, and in the best interests of the customers of the Nueces Water Supply Corporation, the Board deems it expedient and necessary to establish certain rules and policies for the orderly and efficient management of water supplies on an ongoing basis as well as during drought and other water supply emergencies.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NUECES WATER SUPPLY CORPORATION:

SECTION 1. That the Amended Water Conservation and Drought Contingency Plan is attached hereto as Exhibit "A" and hereby adopted as the official policy of the Nueces Water Supply Corporation.

SECTION 2. That the General Manager is hereby directed to implement, administer, and enforce the Amended Water Conservation and Drought Contingency Plan.

SECTION 3. That this resolution shall take effect immediately upon its passage.

Duly adopted by the Board of Directors of the Nueces Water Supply Corporation on this 8th day of April, 2025.

SHERRY ZIMMERMAN, PRESIDENT

ATTEST:

KATHLEEN LOWMAN, SECRETARY/TREASURER

ATTACHMENT 7

Master Plan

Memo

To: Nueces Water Supply Corporation Board of Directors
From: John Marez, Executive Director
Date: March 21, 2025
Re: STWA Water Master Plan – 2025 Update

Background:

The purpose of this memo is to present key updates included in the 2025 Water Master Plan, which outlines important projects and strategies for ensuring sustainable water supply and system improvements for our region.

The South Texas Water Authority (STWA) continues to plan for the long-term sustainability and reliability for its wholesale customers. As part of this effort, the Water Master Plan is updated periodically to assess current system conditions, anticipate future demands, and guide infrastructure and operational improvements.

The last completed version of this plan was Water Master Plan–2024, which was previously reviewed and approved by the board. The previous Master Plan and this current plan are the first formal attempts by the NWSC to gather and track all improvements needed for the entire water system. The creation and use of our Master Plan was instrumental in being selected by the Texas Water Development Board (TWDB) to receive state funding for water improvements for our infrastructure so the continued support and review is essential.

Analysis:

To assist the Board with ongoing and upcoming planning efforts, the Water Master Plan is being provided for your records and reference. Staff is currently finalizing the updated Water Master Plan–2025, which will be delivered to the Board by next week. This updated version will address the Water Supply Corporation's future system needs with a forward-looking scope and comprehensive analysis.

The 2025 Water Master Plan will include the following major updates and new information:

1. Population Growth & Water Demand Projections:
 - Updated estimates for short-term (5 years) and long-term (50 years) needs.

2. State Water Plan Projects:
 - Inclusion of two major projects:
 - a. Brackish Desalination Plant (Driscoll).
 - b. Nueces Well Water Project (Kleberg County).

Design and management strategies have been incorporated, including potential yield, quality, and integration with existing infrastructure.

3. External Water Management Strategy Projects:

- Updated data on the EV Ranch Brackish Water Project and the Seven Seas Brackish Desalination Project.
- Includes engineering analysis and preliminary feasibility studies.

4. Groundwater Feasibility: Updates based on findings from the AGS study.

- Updated findings on drilling locations, potential water quality and yield, and associated costs for exploratory test wells in Kleberg County and surrounding areas.

5. Cathodic Protection Study: Evaluation of corrosion control strategies to ensure safe and sustained operations.

- Strategies to ensure safe operation of infrastructure, including cost considerations and mitigation plans for the 42" line.

6. Asset Management Strategies: Focused on guiding STWA's infrastructure development and lifecycle planning.

- Updates to CIP estimates to account for inflation and inclusion of design requirements for future system modeling and planning.

7. Engineering Recommendations:

- Suggestions for additional study and improvements to ensure safe and efficient water distribution.

Additionally, the report includes updated Capital Improvement Plan (CIP) estimates to support future funding applications and planning.

Staff Recommendation:

Staff recommends that Board members review the current Master Plan and the major updates provided in this memo for context to prepare and discuss the upcoming 2025. This will ensure a seamless transition into planning and prioritizing future capital investments and projects.

Board Action:

No formal board action is required, however, your input for the 2025-2027 Master Plan is vital to ensure the system's improvements and general maintenance are considered during future funding cycles.

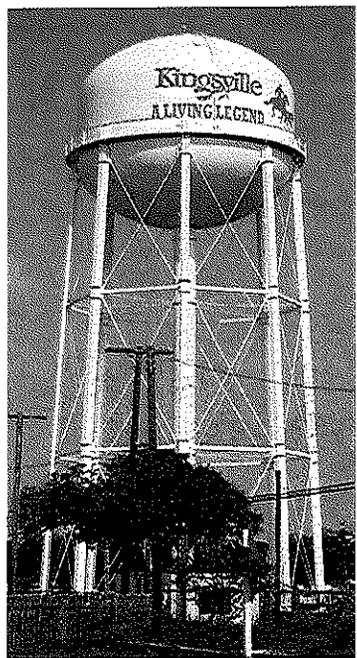
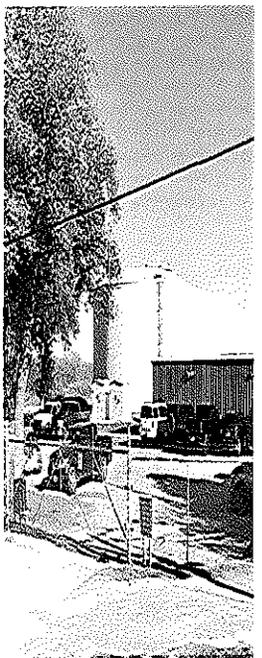
Summary:

The STWA Water Master Plan is available for your reference. All key updates provided in the Analysis section is for your review related to water demand, future projects, groundwater feasibility, system protection, asset management, and CIP revisions:

These efforts are critical to STWA's commitment to delivering safe, sustainable water services to the communities we serve.

STWA Water Master Plan 2025

An update to 2023 Master Plan Report -STWA



STWA Master Plan Updates- 2025

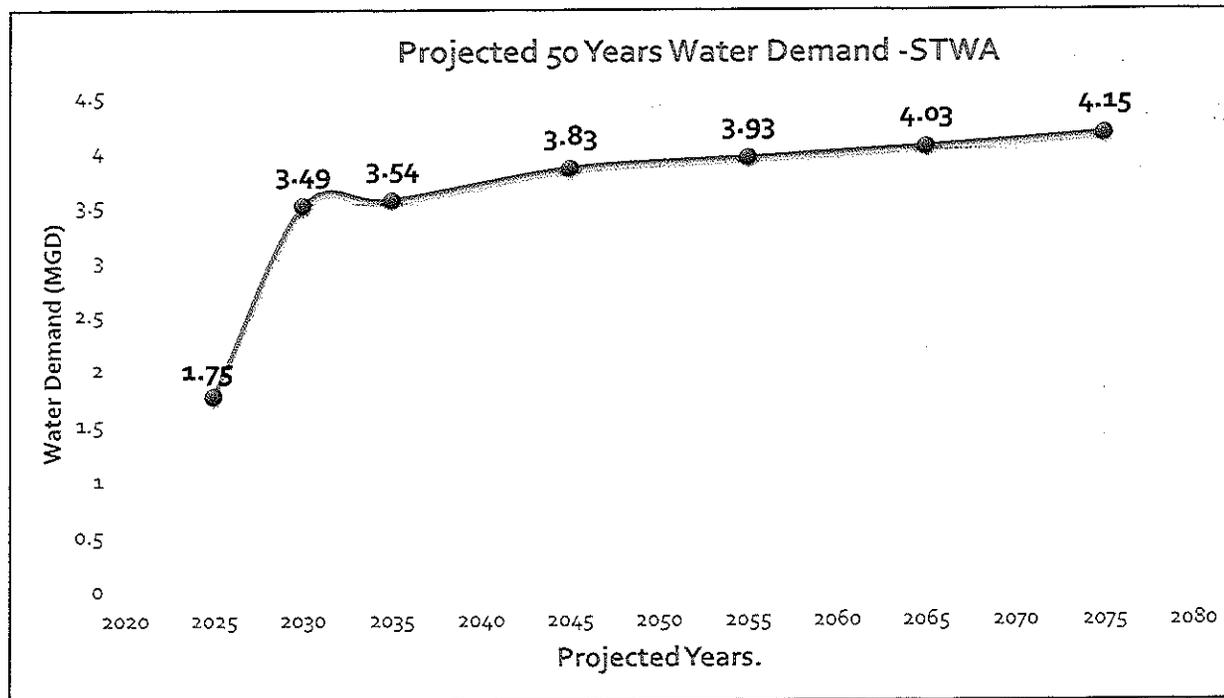
Key Updates and Inclusions for the 2025 Master Plan are as follows:

1. Population growth and water demand projections for STWA: both short-term (5 years) and long-term (50 years).
2. Two major state water plan projects: the Brackish Desalination project in Nueces County and the Ricardo Well project in Kleberg County.
3. External water management strategy projects (Seven Seas Brackish water treatment project and EV Ranch)
4. Groundwater Feasibility Study.
5. Cathodic protection study and considerations for ensuring the safe operation of the system in the future.
6. STWA Asset Management Strategies for future development.

Population Growth & Water Demand

ICE is developing two stages of future water demand for STWA, with the goal of ensuring the area's water needs are met sustainably and planning for future projects.

1. Short Term (5 years)
2. Long Term(50 Years)



The Population vs. Water Demand interpolation method is used to update this section of the master plan.

Regular updates to this projection will be essential to adapt to any shifts in population or industrial activity over time.

Inclusion Of State Water Plan Projects

Through combined efforts, we have incorporated two major secondary water source projects into the Regional and State plans:

1. Brackish Desalination Plant – Driscoll
2. Municipal Well Water Project – Ricardo

The updated 2025 Water Master Plan aims to incorporate both projects with design and management strategies, including:

- CIP Estimates
- Potential Yield
- Potential Water Quality
- Tie up strategy with STWA infrastructure.

Note: ICE and WFX collaborated efforts already include the estimates in the PIF 2026 for future funding.

External Water Management Strategy Projects

This section of the master plan includes:

1. Updated data on the EV Ranch Brackish Water Project
2. Updated information on the Seven Seas Brackish Desalination Projects

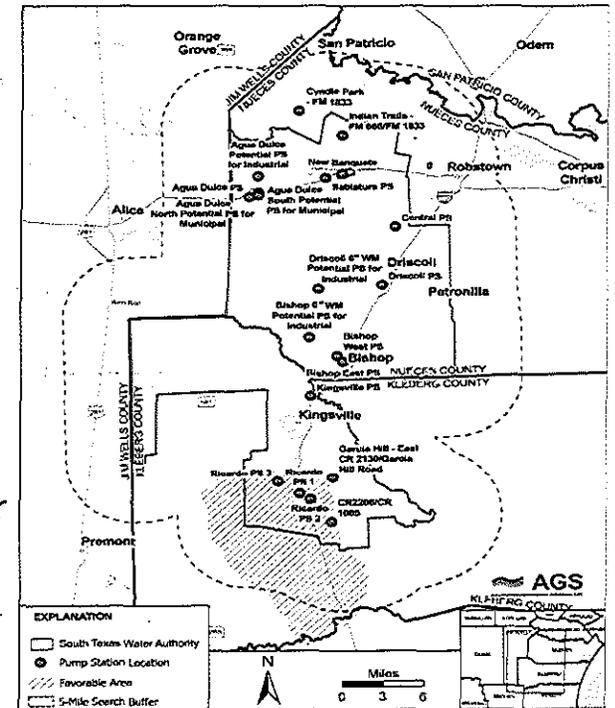
This section of the report also includes the engineering analysis, preliminary feasibility study, and ICE's engineering opinion on both projects.

Groundwater Feasibility Study Updates

This section of the study focuses on including groundwater feasibility updates based on the AGS study.

The study helps STWA address the following questions for future development projects:

- Where to potentially drill for the best quality water ?
- What the potential water quality will be ?
- What the potential water yield will be ?
- What the next steps are for developing water wells for supply?
- Expected associated costs with drilling and developing a secondary water source for STWA ?



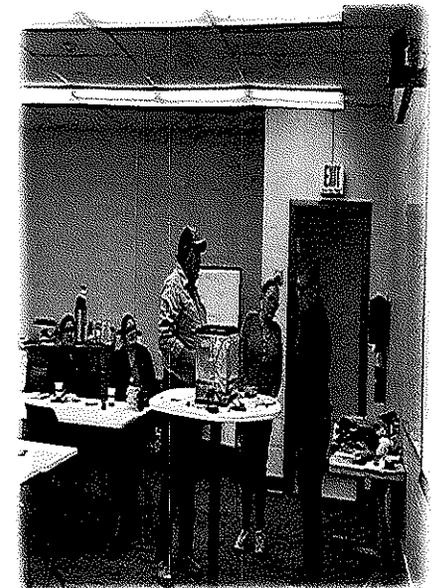
Potential Favorable Area for Exploratory Test Wells(AGS Study Results)

Cathodic Protection Study and Considerations

This section of the study highlights the recent efforts and initiatives developed by ICE and STWA CP Specialists to ensure the safe and continuous operation of the system in the future.

The study helps STWA address the following concerns regarding upcoming efforts and future funding for CP:

- Special concern areas for CP on the 42" Line
- CP Program Development Strategies
- Associated cost
- Expected impacts and suggested mitigation plans.

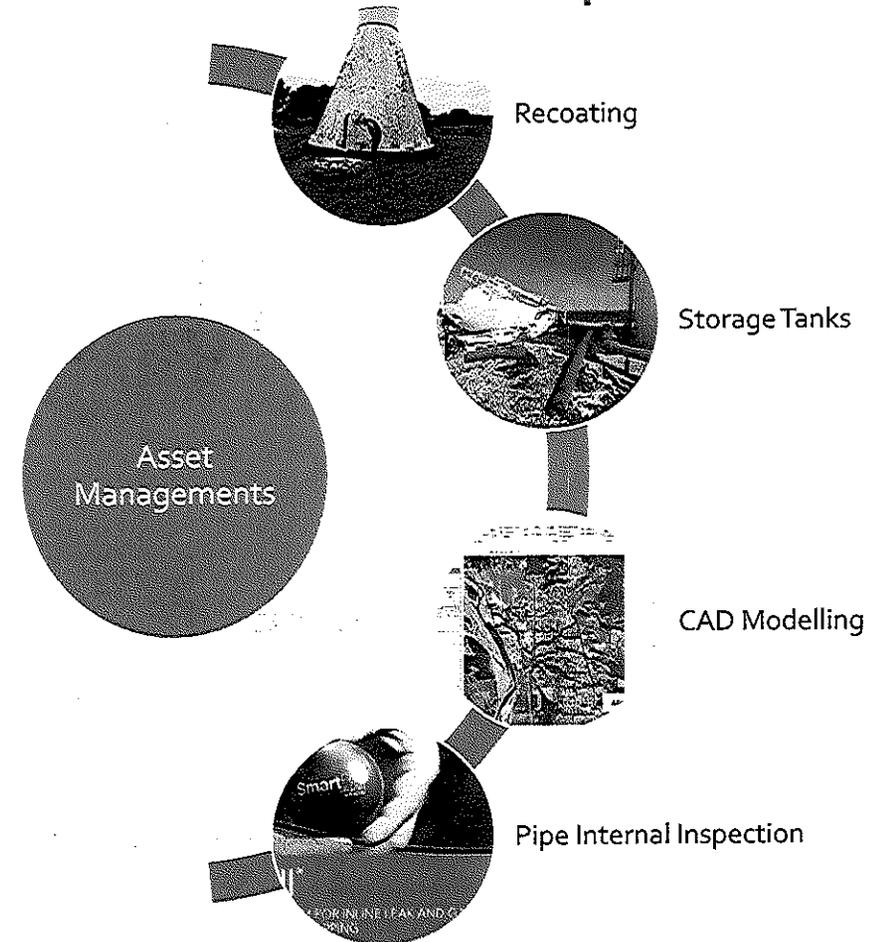


STWA Board members participated in the Cathodic Protection workshop as part of the ongoing CP efforts.

STWA Asset Management Strategies for Future Development.

The 2025 Master Plan update includes the following sections under Asset Management :

- Exclusion of 5 pump stations from the 2023 Master Plan – Funds approved for Rehabilitation.
- Inclusion of new design requirements to STWA infrastructure.
- **Modeling** of STWA's transmission and distribution system for future planning.
- Planning for **internal inspections** of transmission lines.
- Updates to all CIP estimates based on 2 years of inflationary pricing.



Thank You

Prepared by International Consulting Engineers



ATTACHMENT 8

Primavera Estates

Memo

To: Nueces Water Supply Corporation Board of Directors
From: John Marez, General Manager
Date: April 4, 2025
Re: Discussion on Waterline Size for Service to Primavera Estates

Background:

The Nueces Water Supply Corporation is being asked to consider an increase in the waterline size for service to Primavera Estates. The proposal involves upgrading the current infrastructure to a 4" line that could accommodate up to an additional 100 connections/meters. Currently, there are two residents within the corporation's boundaries seeking to connect to the existing waterlines in Primavera Estates, with their connection fees totaling approximately \$27,000.

This contribution would offset a portion of the overall cost that NWSC is being asked to pay into extending service within this community. Historically, similar requests have typically come from organized developments or developers with a master plan in place. However, this scenario presents an opportunity for the board to consider supporting some of the costs for individual accounts in exchange for the larger benefit of expanded line capacity and potential increased memberships within the corporation's system.

Analysis:

Upgrading the waterline size will provide the following benefits:

- Increased capacity to support future growth and development in Primavera Estates.
- Financial offset from the initial connections totaling \$27,000.
- Enhanced service reliability and infrastructure expansion that aligns with long-term planning goals.
- Potential for more members joining the corporation's system, further improving cost recovery.

While the ask typically originates from organized developments, this proposal merits consideration due to its potential to foster growth and efficiency of water distribution within the corporation's service area.

Staff Recommendation:

Staff recommends that the Board entertain covering some of the costs associated with upgrading the waterline size. This approach will benefit current and future members while ensuring an opportunity to create a phased approach for infrastructure improvements for Primavera Estates and ultimately the Nueces Water Supply Corporation.

Board Action:

The Board is asked to review and deliberate on this proposal, considering the financial implications and long-term benefits of increasing the waterline size to a 4" line.

Summary:

Approval of this proposal would enable NWSC to address immediate service needs while preparing for future growth in Primavera Estates. The upfront investment aligns with the Authority's commitment to sustainable development and infrastructure enhancement.



Legend

Scale: 1:5000

Category	Symbol
Water Lines	Blue line
Diameter	
33.5	
24	
36	
23	
12	
Status	
Active	
Asynchronous	
Transmission Lines	
Location	
Aqua Class	
Rotation	
Size	
Water Valves - Internal	
Water Pumps Valves - Internal	
Water Meters - Internal	
Work Orders	
Status	
Pending	
Solved	
Cancelled	
Approved	

Spring Gardens

Tours World

NUECES WATER SUPPLY CORPORATION

April 4, 2025

Ms. Alexis M. Ramirez
206 Ashburn Ave.
Robstown, TX 78380

Re: Revised quote -2025

Dear Ms. Ramirez:

Enclosed please find the cost-of-service analysis on your property in the Primavera Estates Subdivision provided by Nueces Water Supply Corporation and reviewed by Mr. Aaron Archer, P. E. Walker Partners. As we discussed the cost analysis is to furnish one water service to Lot 6, Block 2-Primavera Estates. I have taken the liberty of highlighting the cost analysis figures on your copy. They are as follows:

1. Central Pump Station Improvements pro-rata cost:	\$ 1,994.12
2. Distributions System: (Grant funded)	\$ -0-
3. Engineering Fees:	\$ 400.00
Total Developer Costs	\$ 2,394.12
Less payment received on 04-12-23	\$ - 400.00
Balance Developer Costs	\$ 1,994.12

<u>Standard Service</u>	Membership fee	\$ 200.00	
<u>Connection:</u>	Tap Fee-5/8" x 3/4" meter	725.00	
	Capital Contribution	300.00	
	Customer Service Inspection	75.00	
	Sub. Total	\$ 1,300.00	
	(less developer discount)	- 300.00	
	Sub. Total		\$ 1,000.00

Contracted Bore: 60LF CR 36-Casing included \$ 3,500.00

Extension, Materials & Labor:

1500LF 2" PVC Pipe @ \$4.65/LF	\$ 6,975.00	
1 - Gate valve, box & installation	795.00	
1 - 6"x2" mechanical joint @ \$62.00 each	86.50	
1 - 6" compression fitting @ \$55.00 each	69.50	
2 - 2"x 12 1/2" repair clamps @ \$125.00 each	250.00	
2 - 2"x12" brass nipples @ \$ 72.00 each	144.00	
1 - 2" PVC 90° elbow @ \$ 2.20 each	2.20	
1.50 rolls detection tape @ \$35.00/roll	52.50	
1 gallon Teflon pipe dope @ \$ 22.00 each	22.00	
Sub. Total		\$ 8,396.70
Grand Total to provide service		\$ 14,890.82

2302 E. SAGE RD. * This cost estimate is good for thirty days from the date on this letter. (361) 592-1720
KINGSVILLE, TEXAS 78363 FAX (361)592-5965

As a participating developer, your subdivision is permitted one (1) service connection at a cost of \$1,000.00, which includes a developer discount of \$300.00 applied to the standard cost of \$1,300.00. In addition, once the service is provided to your property, the only portion of the fees, which is refundable, is the \$200.00 membership fee. The membership fee will be returned to you in the event your membership is canceled, provided you do not owe any outstanding fees or bills to the Corporation.

The condition of the soil is beyond our control and may delay the installation of the lines. **Once the water line, road bore and extension are installed, title passes to the Corporation.** Thereafter, operation and maintenance of the line or extension will be the Corporation's sole responsibility. All lines on the property owner's side of the Corporation's meter are the member's responsibility.

Enclosed is a service agreement with an addendum and checklist, which require your signature and initials. The signed service agreement and checklist must accompany payment prior to any service being provided. We realize that you have a need to connect water service as soon as possible, and will therefore make every effort to expedite this matter for you. Please review the above data and if it is satisfactory, **submit full payment of \$ 14,890.82** so that we may order the materials and process any necessary permit(s). Please call our office if you have any questions.

Sincerely,

John Marez
General Manager-Interim

JM/nsf
Enclosures

NUECES WATER SUPPLY CORPORATION

April 4, 2025

Mr. Enrique Mendez
3935 CR 79
Robstown, TX 78380

Revised quote

Dear Mr. Mendez:

Enclosed please find the cost-of-service analysis on your property in the Primavera Estates Subdivision provided by Nueces Water Supply Corporation and reviewed by Mr. Aaron Archer, P. E. Walker Partners. As we discussed the cost analysis is to furnish one water service to Lot 5, Block 1-Primavera Estates. I have taken the liberty of highlighting the cost analysis figures on your copy. They are as follows:

1. Central Pump Station Improvements pro-rata cost:	\$ 1,994.12
2. Distributions System: (Grant funded)	\$ -0-
3. Engineering Fees:	\$ 400.00
Total Developer Costs	\$ 2,394.12
Less payment received on 009-29-23	\$ - 400.00
Balance Developer Costs	\$ 1,994.12

<u>Standard Service</u>	Membership fee	\$ 200.00	
<u>Connection:</u>	Tap Fee-5/8" x 3/4" meter	725.00	
	Capital Contribution	300.00	
	Customer Service Inspection	75.00	
	Sub. Total	\$ 1,300.00	
	(less developer discount)	- 300.00	
	Sub. Total		\$ 1,000.00

Contracted Bore: 84LF Double Driveway bore and a 60LF CR 36-
Casing included: Quoted cost is subject to change. **\$ 3,500.00**

Extension, Materials & Labor:

890LF 2" PVC Pipe @ \$4.65/LF	\$ 4,138.50	
1 - Gate valve, box & installation	795.00	
1 - 6"x2" mechanical joint @ \$62.00 each	86.50	
1 - 6" compression fitting @ \$55.00 each	69.50	
2 - 2"x 12 1/2" repair clamps @ \$125.00 each	250.00	
2 - 2"x12" brass nipples @ \$ 72.00 each	144.00	
1 - 2" PVC 90° elbow @ \$ 2.20 each	2.20	
1.50 rolls detection tape @ \$35.00/roll	52.50	
1 gallon Teflon pipe dope @ \$ 22.00 each	22.00	
Sub. Total		\$ 5,560.20
Grand Total to provide service		\$ 12,054.32

* This cost estimate is good for thirty days from the date on this letter.

2302 E. SAGE RD.
KINGSVILLE, TEXAS 78363

(361) 592-1720
FAX (361)592-5965

As a participating developer, your subdivision is permitted one (1) service connection at a cost of \$1,000.00, which includes a developer discount of \$300.00 applied to the standard cost of \$1,300.00. In addition, once the service is provided to your property, the only portion of the fees, which is refundable, is the \$200.00 membership fee. The membership fee will be returned to you in the event your membership is canceled, provided you do not owe any outstanding fees or bills to the Corporation.

The condition of the soil is beyond our control and may delay the installation of the lines. **Once the water line, road bore and extension are installed, title passes to the Corporation.** Thereafter, operation and maintenance of the line or extension will be the Corporation's sole responsibility. All lines on the property owner's side of the Corporation's meter are the member's responsibility.

Enclosed is a service agreement with an addendum and checklist, which require your signature and initials. The signed service agreement and checklist must accompany payment prior to any service being provided. We realize that you have a need to connect water service as soon as possible, and will therefore make every effort to expedite this matter for you. Please review the above data and if it is satisfactory, **submit full payment of \$ 12,054.32** so that we may order the materials and process any necessary permit(s). Please call our office if you have any questions.

Sincerely,

John Marez
General Manager-Interim

JM/nsf
Enclosures