

NUECES WATER SUPPLY CORPORATION  
Minutes – Regular Meeting  
December 16, 2025

Board Members Present:

Sherry Zimmerman  
Kathleen Lowman  
Samuel Arciniega

Board Members Absent:

Tanya Lawhon

Staff Present:

John Marez  
Jo Ella Wagner  
August Patroelj  
Clarissa Vargas

Guests Present:

None

1. Call to Order.

Ms. Sherry Zimmerman, President, called the Regular Meeting to order at 6:00 p.m. at the South Texas Water Authority Boardroom, 2302 East Sage Road, Kingsville, Texas. A quorum was present.

2. Citizen comments.

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

3. Approval of Minutes.

Ms. Lowman made a motion to approve the minutes of the September 10, 2025 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 August 31, 2025

Account Activity for General Account for August 1, 2025 to August 31, 2025

Account Activity for Operations Account for August 1, 2025 to August 31, 2025

TEXPOOL Participant Statement for 08/01/2025 – 08/31/2025 for General Account

TEXPOOL Participant Statement for 08/01/2025 – 08/31/2025 for Security Deposit Account

Treasurer's Report as of September 30, 2025

Account Activity for General Account for September 1, 2025 to September 30, 2025

Account Activity for Operations Account for September 1, 2025 to September 30, 2025

TEXPOOL Participant Statement for 09/01/2025 – 09/30/2025 for General Account

TEXPOOL Participant Statement for 09/01/2025 – 09/30/2025 for Security Deposit Account

Treasurer's Report as of October 31, 2025  
Account Activity for General Account for October 1, 2025 to October 31, 2025  
Account Activity for Operations Account for October 1, 2025 to October 31, 2025  
TEXPOOL Participant Statement for 10/01/2025 – 10/31/2025 for General Account  
TEXPOOL Participant Statement for 10/01/2025 – 10/31/2025 for Security Deposit Account

The following bills were presented for payment:

STWA Invoice S25-125 August 2025 Water Usage, Water Cost and Handling Charge	\$58,690.28
STWA Invoice S25-126 August 2025 General and Administration	\$19,000.83
STWA Invoice S25-129 August 2025 Taps and Repairs	\$11,361.41
STWA Invoice S25-131 Reimbursements	\$ 385.61
STWA Invoice S25-139 September 2025 Water Usage, Water Cost and Handling Charge	\$60,033.43
STWA Invoice S25-140 September 2025 General and Administration	\$18,849.64
STWA Invoice S25-143 September 2025 Taps and Repairs	\$11,807.16
STWA Invoice S25-153 October 2025 Water Usage, Water Cost and Handling Charge	\$66,768.74
STWA Invoice S25-154 October 2025 General and Administration	\$19,018.70
STWA Invoice S25-157 October 2025 Taps and Repairs	\$15,873.41

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. Fiscal Year 2025 Budget Amendments.

Mr. Patroelj reviewed the proposed Fiscal Year 2025 Amended Budget which reflected a decrease in Revenues of \$44,774 and a \$319,250 increase in Total Expenses for a Net Loss of

\$670,390 and excluding depreciation, the Net Loss is \$270,390. Ms. Lowman made a motion to approve the amendments as presented. Mr. Arciniega seconded. All voted in favor.

6. Proposed Fiscal Year 2026 Budget and retail water rates

The Board reviewed the proposed Fiscal Year 2026 Budgets based the current rates as well as three additional scenarios using various monthly minimums and tier rates.

7. Resolution 25-06. Resolution adopting the recommended Fiscal Year 2026 Budget.

Mr. Arciniega made a motion to approve the Fiscal Year 2026 budget with Option C which increases the monthly minimum on a 5/8" meter from \$33.00 to \$36.00 and increases the water rate for the three tiers by 15 cents. Ms. Lowman seconded the motion and all were in favor.

8. John Womack & Co., P.C. Letter of Engagement for Auditor Services.

Mr. Marez presented the John Womack & Co., P.C. Letter of Engagement for auditor services for the fiscal year ending December 31, 2025 with a cost of \$9,950. Ms. Lowman made a motion to accept the engagement letter for FY 2025 audit services with John Womack & Co., P.C. in the amount of \$9,950. Mr. Arciniega seconded and all voted in favor.

9. Annual Meeting Schedule and Election Procedures.

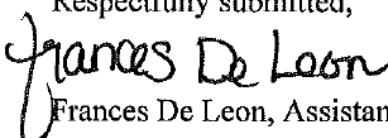
Mr. Marez stated that per State requirements, the Board must review Election Procedures for the Annual Membership meeting. There are two positions up for election in 2025. One position is currently vacant and the other position is held by Ms. Zimmerman. He presented the timeline and schedule for the 2026 Annual Membership Meeting and asked for approval to proceed with the schedule. Ms. Lowman made a motion to approve the recommended timeline and mailing of the presented documents for the 2026 Annual Membership Meeting. Mr. Arciniega seconded and all voted in favor.

10. General Manager's Report.

Mr. Marez reported that installation of the waterline for Ms. Mendez is being scheduled with a contractor.

11. Adjournment.

With no further business to conduct, Ms. Lowman made a motion to adjourn the meeting at 6:42 p.m. Mr. Arciniega seconded the motion. All voted in favor.

Respectfully submitted,  
  
Frances De Leon, Assistant Secretary