

NUECES WATER SUPPLY CORPORATION  
Minutes – Regular Meeting  
September 10, 2025

Board Members Present:

Kathleen Lowman  
Samuel Arciniega  
Tanya Lawhon

Board Members Absent:

Sherry Zimmerman

Staff Present:

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

Guests Present:

None

1. Call to Order.

Mr. Samuel Arciniega, Vice-President, called the Regular Meeting to order at 5:30 p.m. at the South Texas Water Authority Boardroom, 2302 East Sage Road, Kingsville, Texas. A quorum was present.

2. Citizen comments.

Mr. Arciniega 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 August 14, 2025 Regular Meeting as presented. Dr. Lawhon 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 July 31, 2025

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

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

TEXPOOL Participant Statement for 07/01/2025 – 07/31/2025 for General Account

TEXPOOL Participant Statement for 07/01/2025 – 07/31/2025 for Security Deposit Account

The following bills were presented for payment:

STWA Invoice S25-111 July 2025 Water Usage, Water Cost and Handling Charge	\$56,699.56
STWA Invoice S25-112 July 2025 General and Administration	\$19,044.04
STWA Invoice S25-115 July 2025 Taps and Repairs	\$ 6,547.41

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

5. Water Supply and Development Contract between Nueces Water Supply Corporation and Morris Michalk, Developer, Harley Collier (Lot 1 Owner), Manuel Cantu Tovar and Mayte Cantu (Lot 2 Owner), Richard Martinez (Lot 3 Owner), Tomas Gallegos and Raquel M. Gallegos (Gallegos Tract Owner), Lot Owners, for Michalk Acres Subdivision and all related matters.

Mr. Marez presented a Water Supply and Development Contract between NWSC and Morris Michalk and several lot owners for the Michalk Acres subdivision. Ms. Wagner explained that this contract differed from previous contracts because the properties were already subdivided and sold requiring an agreement with the additional landowners. The contract was provided by Willatt and Flickinger and the necessary fees have been paid.

6. Resolution 25-04. Resolution authorizing the Nueces Water Supply Corporation President to enter into a Water Supply and Development Contract with Morris Michalk, Developer, Harley Collier (Lot 1 Owner), Manuel Cantu Tovar and Mayte Cantu (Lot 2 Owner), Richard Martinez (Lot 3 Owner), Tomas Gallegos and Raquel M. Gallegos (Gallegos Tract Owner), Lot Owners, for Michalk Acres Subdivision.

Ms. Lowman made a motion to approve Resolution 25-04 authorizing the NWSC President to enter into a Water Supply and Development Contract with Morris Michalk and the lot owners for the Michalk Acres subdivision. Dr. Lawhon seconded and all voted in favor.

7. Resolution 25-05. Resolution Amending Authorized Nueces Water Supply Corporation Representatives for TexPool Accounts.

Mr. Marez requested approval of Resolution 25-05 in order to update NWSC's representatives on the TexPool Accounts. Dr. Lawhon made a motion to adopt Resolution 25-05 amending the authorized Nueces Water Supply Corporation TexPool account representatives. Ms. Lowman seconded and all voted in favor.

8. Extension of depository agreement with Kleberg Bank.

The Board reviewed the Kleberg Bank Agreement to Extend Depository Contract for 2025-2027. Dr. Lawhon made a motion to approve the extension of the agreement. Ms. Lowman seconded the motion and all voted in favor.

9. South Texas Water Authority Fees and Charges – NWSC Fee Schedule.

The Board reviewed the updated STWA Fees and Charges as well as the recommended Nueces WSC Fee Schedule. Mr. Marez explained that STWA's fees have not changed since 2019 and the adjusted fees and charges reflect an amount that will recoup the expenses related to providing services to the corporation. The changes will take effect January 2026.

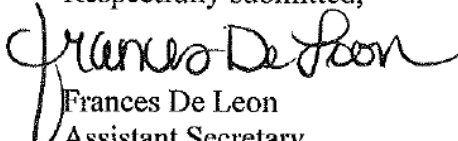
10. General Manager's Report.

Mr. Marez reported that he has been in contact with Tesla representatives about the temporary water service agreement and the need for a permanent agreement. Legal counsel is working on finalizing the needed language. He also reported that STWA continues negotiating a water contract with the City of Corpus Christi. Additionally, Corpus Christi has shown interest in purchasing water from STWA's proposed desalination plant. Ms. Lowman questioned how the water would be transported. Mr. Marez also stated that Rogelio Rodriguez, Water Finance Exchange, announced that STWA qualified for up to \$60 million of FY 2026 funding which could help address infrastructure needs. The next NWSC Board meeting is expected to be in November or December and will include adoption of the FY 2026 budget.

11. Adjournment.

With no further business to conduct, Ms. Lowman made a motion to adjourn the meeting at 6:11 p.m. Dr. Lawhon seconded the motion. All voted in favor.

Respectfully submitted,

  
Frances De Leon  
Assistant Secretary