



MEMORANDUM

TO: South Texas Water Authority Board of Directors
FROM: Jose M Graveley, President
DATE: May 27, 2026
SUBJECT: Meeting Notice and Agenda for the South Texas Water Authority

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

Tuesday, June 2, 2026
5:30 p.m.
Courthouse Annex Law Enforcement Center
1500 E. King, Kingsville TX 78363

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

Agenda

1. Call to order.
2. Citizen comments. This is an opportunity for citizens to address the Board of Directors concerning an issue of community interest that is not on the agenda. Comments on the agenda items must be made when the agenda item comes before the Board. The President may place a time limit on all comments. The response of the Board to any comment under this heading is limited to making a statement of specific factual information in response to the inquiry, or, reciting existing policy in response to the inquiry. Any deliberation of the issue is limited to a proposal to place it on the agenda for a later meeting.
3. New Board member's oath of office.
4. Election of Officers.
5. Approval of Minutes. (Attachment 1)
6. Quarterly Report/Treasurer's Report/Payment of Bills. (Attachment 2)
7. Operation and Maintenance Report. (Attachment 3)
8. **Resolution 26-07.** Resolution appointing Frances De Leon, Assistant Executive Director, to serve as Chief Tax Assessor for the South Texas Water Authority. (Attachment 4)
9. **Resolution 26-08.** Resolution appointing Kevin Kieschnick, Nueces County Tax Assessor/Collector, to serve as the South Texas Water Authority Tax Collector in Nueces County. (Attachment 4)
10. **Resolution 26-09.** Resolution appointing Maria Victoria Valadez, Kleberg County Tax Assessor/Collector, to serve as the South Texas Water Authority Tax Collector in Kleberg County. (Attachment 4)

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

STWA Agenda – 06/02/2026
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Joe Morales
Angela N. Pena
Arturo Rodriguez
Patsy A. Rodgers
John Marez, Administrator

11. **Resolution 26-10.** Resolution establishing tax exemptions for residence homesteads, for property owners who are 65 years of age or older, for persons who are disabled, and for disabled veterans. (Attachment 4)
12. Approval to transfer remaining Cathodic Protection Technician position to Field Technician. (Attachment 5)
13. Work Experience Worksite Agreement with Workforce Solutions Coastal Bend. (Attachment 6)
14. RFP/CSP for mold remediation. (Attachment 7)
15. Update on Seven Seas Project. (Attachment 8)
16. Executive Session Agenda Items - In this executive session the Board of Directors will deliberate or receive legal advice regarding (1) each of the following matters pursuant to the Section(s) of the Texas Government Code in parenthesis at the end of such matter, and (2) any other items on today's agenda that the presiding officer of the meeting has announced will be considered in this executive session (collectively, the "Executive Session Agenda Items"). The Board of Directors may take action in open session after the executive session on any of the Executive Session Agenda Items. The Board of Directors will deliberate the purchase, exchange, lease or value of real property in executive session only if deliberation in an open meeting would have a detrimental effect on District's position in negotiations with a third person.
 16. a. Receive legal advice from counsel regarding alternate water sources. (§551.071)
17. Open Session Agenda Items for Post-Executive Session Action - The Board of Directors will reconvene in Open Session and take action on (1) the agenda items listed below, (2) any other items on this agenda that were postponed or tabled until after Executive Session, and (3) any of the Executive Session Agenda items.
 - 17.a. Consider land lease agreement with the Port of Corpus Christi.
18. Administration Report.
 - Future Board Meeting Dates
 - Project updates
19. Adjournment.

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

JMG/JM/fdl
Attachments

This meeting notice was posted on STWA's website, www.stwa.org, and on indoor and outdoor bulletin boards at STWA's administrative offices, 2302 East Sage Road, Kingsville, Texas at 445 am/pm on May 27, 2026.
Francis DeLeon
Assistant Secretary

ATTACHMENT 1

Approval of Minutes

SOUTH TEXAS WATER AUTHORITY
Minutes – Regular Board of Directors Meeting
May 5, 2026

Board Members Present:

Jose Graveley
Imelda Garza
Frances Garcia
Daniel Morales
Joe Morales
Angela Pena
Patsy Rodgers

Board Members Absent:

Tanya Lawhon
Art Rodriguez

Staff Present:

John Marez
Victor Gutierrez
August Patroelj
Clarissa Vargas

Guests Present:

Charlie Zahn (Zoom)
Kasy Stinson, Seven Seas
Ivan Luna, I.C.E.
Andrew Mendez
Ansar Palakkal, I.C.E.

1. Call to Order.

Mr. Jose Graveley, Board President, called the Regular Meeting of the STWA Board of Directors to order at 5:30 p.m. at the Courthouse Annex Law Enforcement Center, 1500 E. King, Kingsville, Texas. A quorum was present.

2. Citizen Comments.

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

3. New Board Members' Oaths of Office.

No Oaths of Office were administered.

4. Election of officers.

Election of officers will be held at the next meeting.

5. Approval of Minutes.

Ms. Rodgers made a motion to approve the minutes of the March 30, 2026 Regular Meeting as presented. Ms. Garcia seconded. The motion passed by unanimous vote.

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

The Quarterly Report was not presented.

The following reports were presented for Board approval:

Treasurer's Report for period ending March 31, 2026
STWA Income Statement – Comparison to Prior Year for March, 2026
Revenue Fund Income Statement for period ending March 31, 2026
Special Services Income Statement for period ending March 31, 2026
Tax Fund Income Statement for period ending March 31, 2026
STWA Revenue Fund Trial Balance – March, 2026
STWA Revenue Fund Balance Sheet – March, 2026
STWA Debt Service Fund Income Statement for period ending March 31, 2026
STWA Debt Service Fund Trial Balance – March, 2026
STWA Debt Service Fund Balance Sheet – March, 2026
STWA Capital Projects Fund Income Statement for period ending March 31, 2026
STWA Capital Projects Fund Trial Balance – March, 2026
STWA Capital Projects Fund Balance Sheet – March, 2026
Outstanding Water and O&M Invoices – NCWC&ID#5 and City of Driscoll

The following invoices were presented for Board approval:

• Charles W. Zahn, Jr., Attorney at Law (March)	\$ 10,620.00
• International Consulting Engineers	\$ 16,404.50
• International Consulting Engineers	\$ 13,665.50
• International Consulting Engineers	\$ 10,367.00
• International Consulting Engineers	\$ 18,399.65
• International Consulting Engineers	\$ 12,146.00
• International Consulting Engineers	\$ 14,315.50

Mr. D. Morales questioned if interest can be charged on the outstanding Water and O&M invoices and Mr. Zahn replied that STWA can charge interest on those invoices. Mr. J. Morales asked for a briefing on the Seven Seas expenses. Mr. Ivan Luna explained that work was done for modeling and assessment of the feasibility of transporting water from Seven Seas. Additional work was done to evaluate and prepare a plan for the valve assessment. Ms. Garza made a motion to approve the Treasurer's Report and payment of bills as presented. Ms. Garcia seconded. The motion passed unanimously.

7. Operation and Maintenance Report.

Mr. Marez presented the Operation and Maintenance Report for the weeks of March 30 to April 27, 2026. No additional information was requested by the Board.

8. Fiscal Year 2026 Budget Amendments.

Mr. Patroelj reviewed the proposed amendments to the FY 2026 Budget. He stated that no mid-year adjustments are needed for Revenues but noted that the "Fee in Lieu of Taxes" was underbudgeted and will be adjusted at year end. Additional Operations and Maintenance Fees Revenues are over budget due to FY 2025 corporation expenses that were charged and

reimbursed in FY 2026 for Telephone & Technology and Standby Pay. These reimbursements are now up to date.

Total Expenses increased by a total of \$38,656.83 in the following budgeted line items:

- Vacation Buy Back – \$224.32
- Overtime Expense – \$10,570.28
- Workers Compensation – \$8,814.73
- Medicare – \$8,703.86
- Auditing – \$3,000
- Property Insurance – \$755.82
- Auto Insurance – \$345
- Rental Equipment/Uniforms – \$6,242.82

Mr. Patroelj explained that most of these expenses were estimated during budget preparation and are being adjusted because the true costs were received after the budget was adopted. He requested approval of the recommended adjustments. Mr. J. Morales made a motion to approve the FY 2026 Budget Amendments. Mr. D. Morales seconded. The motion carried.

9. Authorization to extend professional services support agreement with High Touch Technologies.

Mr. Marez presented an updated technology support proposal from High Touch Technologies and explained to the Board that STWA's previous agreement with High Touch has expired. He asked the Board to consider approval of a 60-month agreement in order to receive the best pricing. He added that continuing the partnership with High Touch will strengthen cybersecurity, improve reliability and provide predictable IT costs. Mr. J. Morales made a motion to approve the 60-month agreement with High Touch, Ms. Garza seconded and the motion passed by unanimous vote.

10. Update on Seven Seas Project.

Mr. Kasy Stinson from Seven Seas provided an update on the Seven Seas project. He stated that a well driller has been selected and will begin working onsite in early June. The process for discussions on well disposal permits with TCEQ has been reactivated. Seven Seas is also selecting an overseeing hydrogeologist who will be onsite with the well driller for all of the testing. Additionally, while the land lease agreement is being finalized, they are working on a land access agreement. Mr. Stinson also explained that at the Driscoll location, there was a layer of water producing sand that they expected to be present but was not, so when tested, the well was less productive. At the new location, in addition to drilling, logging and verifying thickness of the sand, there is 10 times the acreage which will allow greater water production. Mr. Marez added that the water that is expected to be produced has been included in the Regional Water Planning Group's Water Plan.

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

- 11.a. Receive legal advice from counsel regarding alternate water sources.

Mr. Graveley announced that the Board would convene in Closed Session at 6:30 p.m. pursuant to Section 551.071 of the Government Code to receive legal advice from counsel regarding an alternate source of water for the Authority.

The Board reconvened in Open Session at 7:00 p.m. No action was taken during Closed Session.


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

Mr. Marez informed the Board that the next meeting is scheduled for May 26th but can be moved to June 2nd if needed.

14. Adjournment.

With no further business to discuss, Mr. J. Morales moved to adjourn the meeting at 7:02 p.m. Mr. D. Morales seconded. The motion carried.

Respectfully submitted,


Frances De Leon
Assistant Secretary

ATTACHMENT 2

Quarterly Report/Treasurers Report/Payment of Bills

**SOUTH TEXAS WATER AUTHORITY
INVESTMENT REPORT
FOR QUARTER ENDED March 31, 2026**

	BEGINNING BOOK VALUE 31-Dec-25	BEGINNING MARKET VALUE 31-Dec-25	TRANSFERS	REVENUES January, February, March	EXPENSES	INTEREST	ENDING BOOK VALUE 31-Mar-26	ENDING MARKET VALUE 31-Mar-26
CASH ACCOUNTS								
GENERAL ACCT - PROSPERITY BANK	21,621.53	21,621.53	(25,000.00)	1,370,722.54	1,126,452.75	223.32	241,114.64	241,114.64
GENERAL ACCT MONEY MKT. - PROSPERITY	41,423.85	41,423.85	0.00	0.00	0.00	92.00	41,515.85	41,515.85
GENERAL ACCT TEXPOOL 1371300002	4,724,441.65	4,725,386.54	(350,000.00)	1,058,426.78	6,518.03	47,297.79	5,473,648.21	5,474,852.41
GENERAL ACCT TEXSTAR 1111-000	162,333.56	162,376.25	0.00	0.00	0.00	1,476.79	163,810.35	163,822.96
PAYROLL ACCT - PROSPERITY BANK	26,641.71	26,641.71	320,000.00	35,682.95	300,471.75	30.03	81,882.94	81,882.94
OPERATIONS ACCT - PROSPERITY BANK	61,507.89	61,507.89	55,000.00	212.55	92,730.17	34.36	24,024.63	24,024.63
DEBT SERVICE ACCT TEXPOOL 1371300008	279,406.84	279,468.31	0.00	217,406.59	40,420.98	3,585.38	459,977.83	460,989.78
TOTAL CASH ACCOUNTS	5,317,377.03	5,435,792.62	0.00	2,682,451.41	1,566,593.68	52,739.67	6,485,974.45	6,488,203.22

	AVG. MAT. 3/31/2025	January RATE	January EARNING	February RATE	February EARNING	March RATE	March EARNING	TOTALS
GENERAL ACCT - PROSPERITY BANK	immediate	0.3000%	\$70.18	0.3000%	\$66.28	0.3000%	\$86.86	\$223.32
GENERAL ACCT MONEY MKT. - PROSPERITY	immediate	0.7000%	\$31.66	0.7000%	\$28.63	0.7000%	\$31.71	\$92.00
GENERAL ACCT TEXPOOL 1371300002	41days	4.5000%	\$15,106.04	4.5000%	\$15,155.33	4.5000%	\$17,036.42	\$47,297.79
GENERAL ACCT TEXSTAR 1111-000	41 days	3.7074%	\$511.14	3.6770%	\$459.26	3.6513%	\$506.39	\$1,476.79
PAYROLL ACCT - PROSPERITY BANK	immediate	0.3000%	\$9.06	0.3000%	\$9.34	0.3000%	\$11.63	\$30.03
OPERATIONS ACCT - PROSPERITY BANK	immediate	0.3000%	\$15.33	0.3000%	\$7.83	0.3000%	\$11.20	\$34.36
DEBT SERVICE ACCT TEXPOOL 1371300008	41days	4.5000%	\$979.05	4.5000%	\$1,189.07	4.5000%	\$1,417.26	\$3,585.38
TOTALS			16,722.46		16,915.74		19,101.47	52,739.67

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


Investment Officer


Investment Officer

05/11/26
15:27:02

SOUTH TEXAS WATER AUTHORITY
Balance Sheet
For the Accounting Period: 3 / 26

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101 Water

Assets

Current Assets

STWA - Operations	24,024.63 ✓
STWA - General	241,114.64 ✓
STWA - General Money Market	41,515.85 ✓
STWA - Payroll	81,882.94 ✓
Petty Cash	150.00
TexPool	5,473,648.21 ✓
Tax Accounts Receivable	225,780.22
Allowance for Uncollect Taxes	(88,575.35)
Allowance for doubtful Accounts	(12,483.96)
Interlocal Rec - Tax Assessor	7,517.09
Service Accts Receivable	(5,771.27)
Agua Dulce-Water	14,587.15
Bishop - Water	32,724.46
Driscoll - Water	22,196.34
Kingsville - Water	41,261.89
NCWCID 5 - Water	42,921.36
Ricardo WSC - Water	50,166.72
Nueces WSC - Water	46,108.90
Ricardo WSC - General & Admin	53,042.92
Nueces WSC - General & Admin	32,800.45
Interlocal Rec-Bishop	(604.65)
Interlocal Rec-Driscoll	2,442.43
Interlocal Rec-Ricardo	7,940.52
RWSC-Credit Card	1,414.89
Interlocal Rec-Nueces	28,339.45
NWSC Credit Card	2,600.32
Due From Capital Projects Fund	173,544.21
Due from Debt Service Fund	16,207.20
Due from D.S.-Collect Service	16,505.60
Notes Receivable - Current	152.47
Prepaid Expenses	38,343.28
Inventory	38,158.12
Reimbursement Receivable	334,739.20

Total Current Assets

6,984,396.23

Total Assets

6,984,396.23

Liabilities and Equity

Current Liabilities

Trade Accounts Payable	187,972.54
Conversion Trade Accounts Payable	333.16

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SOUTH TEXAS WATER AUTHORITY
Balance Sheet
For the Accounting Period: 3 / 26

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101 Water

Salaries & Wages Payable	31,500.00	
Due to NWSC	7,324.89	
Due to RWSC	6,368.23	
Federal WH Taxes Payable	150.77	
Medicare Payable	665.32	
Emply Retire Prem Payable	11,879.72	
Unemployment Ins Payable	9,949.26	
Emply Loan WH Payble	(671.10)	
Emply Insurance WH Payble	(23,087.53)	
Emply AFLAC Ins WH Payble	436.55	
Emply Child Support WH Payble	(439.22)	
Emply Nationwide WH Payble	200.00	
Emply Advance WH Payble	(539.46)	
Emply Other WH Payble	3,003.07	
Miscellaneous Payables	24,302.39	
Compensated Absences	14,581.89	
Deferred Tax Revenue	137,204.87	

Total Current Liabilities		411,135.35
Other Liabilities		
Due to Debt Service Fund	13,248.84	
Due to Capital Projects Fund	(289,296.25)	

Total Other Liabilities		(276,047.41)

Total Liabilities		135,087.94
Equity		
Fund Balance	(3,588.53)	
Retained Earnings	5,605,615.32	
Assigned Fund Bal. - Inventory	45,335.18	
CURRENT YEAR INCOME/(LOSS)	1,201,946.32	

Total Equity		6,849,308.29

Total Liabilities & Equity		6,984,396.23

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SOUTH TEXAS WATER AUTHORITY
Balance Sheet
For the Accounting Period: 3 / 26

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310 Debt Service

Assets

Current Assets

TexPool	459,977.83
Tax Accounts Receivable	58,893.97
Allowance for Uncollect Taxes	(11,370.61)
Interlocal Rec - Tax Assessor	1,542.97
Due from General Fund	13,248.84

Total Current Assets 522,293.00

Total Assets 522,293.00

Liabilities and Equity

Current Liabilities

Deferred Tax Revenue	47,523.36
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Total Current Liabilities 47,523.36

Other Liabilities

Due to General Fund	32,712.80
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Total Other Liabilities 32,712.80

Total Liabilities 80,236.16

Equity

Fund Balance	159,203.04
CURRENT YEAR INCOME/(LOSS)	282,853.80

Total Equity 442,056.84

Total Liabilities & Equity 522,293.00

05/11/26
15:54:39

SOUTH TEXAS WATER AUTHORITY
Balance Sheet
For the Accounting Period: 3 / 26

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410 Capital Projects

Assets

Current Assets

TexStar	163,810.22	
Due from General Fund	(289,296.25)	
Total Current Assets		(125,486.03)

Total Assets (125,486.03)

Liabilities and Equity

Other Liabilities

Due to General Fund	173,544.21	
Total Other Liabilities		173,544.21

Total Liabilities 173,544.21

Equity

Fund Balance	(289,296.25)	
CURRENT YEAR INCOME/(LOSS)	(9,733.99)	
Total Equity		(299,030.24)

Total Liabilities & Equity (125,486.03)

SOUTH TEXAS WATER AUTHORITY
Treasurer's Report
For Period Ending April 30, 2026

STWA Water Sales:

<u>Entity</u>	<u>Water Usage (1,000 g)</u>	<u>Cost of Water from City of Corpus Christi \$3.187588 per 1000 g</u>	<u>Handling Charge @ \$0.60/1000g</u>	<u>Incremental Increase @ \$0.60/1000g</u>	<u>Out of District Surcharge and Pass-Thru Credit</u>	<u>Total Due</u>
Kingsville	6,176	\$19,686.54	\$3,705.60	\$0.00	\$0.00	\$23,393.69
Bishop	4,033	\$12,855.54	\$2,419.80	\$0.00	\$0.00	\$15,275.34
Agua Dulce	1,681	\$5,358.34	\$1,008.60	\$0.00	\$0.00	\$6,366.75
RWSC	7,414	\$23,632.78	\$4,448.40	\$0.00	\$0.00	\$28,081.18
Driscoll	2,078	\$6,623.81	\$1,246.80	\$0.00	\$0.00	\$7,870.61
NCWCID #5	1,650	\$5,259.52	\$990.21	\$990.21	\$893.17	\$8,133.24
NWSC	19,139	\$61,007.25	\$11,483.61	\$0.00	\$0.00	\$72,492.26
TOTAL	42,171	\$134,423.77	\$25,303.02	\$990.21	\$893.17	\$161,613.08

Water Cost and Usage for Period of:	03/31/26	05/01/26
City of Corpus Christi Invoice for Cost of Water Purchased:		\$132,380.53
Gallons of Water Recorded by City of Corpus Christi:		41,530,000
Gallons of Water Recorded by STWA from Customer's Master Meters:		42,171,000
Water Loss Percentage:		<u><u>-1.54%</u></u>

Annual Usage for FY26	Annual
Gallons of Water Recorded by City of Corpus Christi:	314,560,000
Gallons of Water Recorded by STWA from Customer's Master Meters:	315,420,848
Water Loss Percentage: (year to date)	<u><u>-0.27%</u></u>

SOUTH TEXAS WATER AUTHORITY
Treasurer's Report
Year to Date

STWA Water Sales:

<u>Entity</u>	<u>Water Usage (1,000 g)</u>	<u>Average Cost of Water from City of Corpus Christi \$3.223520 per 1000 g</u>	<u>Handling Charge @ \$0.60/1000g</u>	<u>Out of District Surcharge</u>	<u>Total Due</u>
Kingsville	51,048	\$164,554.98	\$30,628.94	\$0.00	\$195,183.92
Bishop	34,967	\$112,716.82	\$20,980.20	\$0.00	\$133,697.02
Agua Dulce	14,294	\$46,076.79	\$8,576.36	\$0.00	\$54,653.15
RWSC	59,824	\$192,843.86	\$35,894.40	\$0.00	\$228,738.26
Driscoll	14,233	\$45,880.36	\$8,539.80	\$0.00	\$54,420.16
NCWCID #5	12,342	\$39,783.08	\$7,404.90	\$6,252.19	\$53,440.17
NWSC	128,711	\$414,901.82	\$77,226.48	\$0.00	\$492,128.30
TOTAL	315,418	\$1,016,758	\$189,251	\$6,252	\$1,212,261

(1A)

Outstanding

		NCWCID#5	City of Driscoll	
S22-174	Oct - Water	\$6,229.07		
S23-186	Oct - Water	\$6,254.89		
S25-034	February -water	\$7,735.00		
S26-017	Jan - Water		\$7,808.43	Pd on 05-13-26
S26-024	Jan -O&M		\$578.82	Pd on 05-13-26
S26-036	February -water		\$7,332.16	
S26-043	February - O&M		\$542.38	
S26-054	March - Water		\$7,812.12	
S26-061	March - O&M		\$588.91	
Totals		\$20,218.96	\$16,275.57	\$36,494.53

18

Combined Funds

Account Object	Description	Current Year				Last Year	
		Current Month	Current YTD	Budget	Variance	Prior Year Month	Prior Year YTD
Revenue							
41100	Tax Revenue	18,580.73	1,917,534.22	1,984,701.00	-67,166.78	22,087.49	1,953,497.39
41120	Delinquent Tax Revenue	3,754.64	22,816.61	49,500.00	-26,683.39	6,361.10	33,324.12
41150	Penalties & Interest - Tax	3,555.42	19,707.63	34,700.00	-14,992.37	4,296.32	19,193.95
41950	Miscellaneous - Taxes	-0.73	-20.02		-20.02	-7.86	-23.67
44100	Water Service Revenue	134,426.67	1,017,119.28	1,745,727.00	-728,607.72	153,094.71	935,900.83
44210	Handling Charge Revenue	25,303.15	189,254.23	313,248.00	-123,993.77	23,326.74	151,760.25
44230	Premium Incremental	990.08	7,405.74	12,500.00	-5,094.26	873.64	6,002.39
44240	Surcharge - Out-of-District	893.17	6,252.19	14,064.00	-7,811.81	1,020.39	7,194.33
44600	Operations & Maint Fees	73,348.30	506,662.21	7,850.00	498,812.21	53,810.13	410,865.80
46000	MISCELLANEOUS REVENUE	7,354.40	108,688.85	15,000.00	93,688.85		1,584.51
46100	Miscellaneous Income		375.93		375.93		104,834.48
47100	Interest income	17,128.81	121,009.89	175,000.00	-53,990.11	20,770.45	142,670.01
47110	Interest-Note						165.36
	Total	285,334.64	3,916,806.76	4,352,290.00	-435,483.24	285,633.11	3,766,969.75
Expenses							
601000	STWA						
50200	Purchased water	132,380.53	1,014,401.64	1,745,727.00	731,325.36	150,950.32	939,653.92
51100	Salaries/Wages	12,495.55	362,861.76	543,343.51	180,481.75	17,546.89	281,009.43
51120	Overtime	1,451.88	18,737.02	34,570.28	15,833.26	1,057.64	16,708.13
51130	Stand-by	120.00	906.77	1,560.00	653.23	120.00	920.00
51160	Vacation Buyback		6,224.32	6,224.32		928.09	5,831.69
51200	Employee Retirement	8,727.69	50,947.44	69,044.00	18,096.56	7,054.42	69,247.58
51201	Group Ins - Health	42,622.40	249,558.42	249,471.00	-87.42	44,875.56	282,931.38
51202	Group Ins - Life	536.30	4,787.68	9,415.00	4,627.32	674.20	4,491.43
51203	Group Ins - Dental	540.52	4,639.30	11,515.00	6,875.70	752.33	4,218.16
51300	Unemployment Ins	3,036.96	3,049.18	515.00	-2,534.18	973.81	1,213.79
51400	Workers Compensation		19,004.09	19,003.73	-0.36	-103.60	17,017.28
51700	Medicare	949.63	8,313.86	14,697.86	6,384.00	919.64	7,054.65
52110	Postage		4,498.47	8,500.00	4,001.53		4,058.90
52120	Printing/Office Supplies	4,554.64	21,177.94	37,500.00	16,322.06	1,672.63	19,624.36
52130	Janitorial/Site Maint	955.40	6,546.21	22,500.00	15,953.79	3,947.38	13,652.07
52160	Small Tools	146.99	2,356.52	3,000.00	643.48	104.15	1,085.34
52380	Safety Equipment	1,787.99	5,471.28	5,000.00	-471.28	378.20	3,708.86
53110	Legal	15,668.25	94,383.75	125,000.00	30,616.25	1,952.00	83,893.25
53120	Auditing		15,200.00	15,200.00			12,570.00
53130	Engineering	46,094.75	164,967.00	250,000.00	85,033.00	54,082.13	309,381.22
53140	Management & Consulting	13,333.33	63,333.31	150,000.00	86,666.69	8,705.83	92,585.81
53210	Inspection Services			7,500.00	7,500.00	19.00	1,506.11
53260	Tax Collector Fees		49,644.24	71,042.00	21,397.76		52,396.78
53270	Appraisal District Fees		14,280.58	33,730.00	19,449.42		14,716.56
54110	General Repairs &	10,599.84	42,866.80	125,000.00	82,133.20	5,861.97	60,041.92
54111	General R&M - Central Tank						129,925.67

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SOUTH TEXAS WATER AUTHORITY

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Income Statement - Comparison to Prior Year
For the Accounting Period: 4 / 26

Combined Funds

Account Object	Description	Current Year				Last Year	
		Current Month	Current YTD	Budget	Variance	Prior Year Month	Prior Year YTD
54140	Fuel/Lubricants/Repairs	7,341.93	52,741.48	70,000.00	17,258.52	6,802.84	61,956.91
54150	Chemicals/Water Samples	6,751.49	21,682.92	45,000.00	23,317.08	327.00	16,541.66
54250	Meter Expense			5,000.00	5,000.00		
54260	Tank Repairs			35,000.00	35,000.00		
54291	Major Repairs	25,432.00	25,432.00	125,000.00	99,568.00		
54720	Cathodic Protect Materials			590,500.00	590,500.00		
55110	Telephone/Communications	2,535.82	22,729.16	40,000.00	17,270.84	3,365.98	18,665.16
55120	Utilities	2,323.00	58,848.89	112,500.00	53,651.11	8,784.11	59,578.48
55130	D & O Liability Insurance		2,278.00	4,500.00	2,222.00		3,232.03
55140	Property Insurance		63,755.82	63,755.82			61,492.06
55150	General Liability Ins	-127.50	5,035.75	6,000.00	964.25		4,446.05
55160	Auto Insurance		5,145.00	5,145.00			4,717.72
55180	Travel/Training/Meetings	1,377.36	12,373.93	32,000.00	19,626.07	1,838.55	15,322.37
55610	Rental-Equip/Uniforms		7,871.41	15,742.82	7,871.41	984.49	5,949.47
55620	Dues/Subscriptions/Advert	8,777.95	11,988.50	19,000.00	7,011.50	6,319.78	14,911.13
55999	Bad Debt Expense						-5,771.27
58130	Pass Through Costs			250.00	250.00		0.30
58200	PAYMENT TO SUB-ACCOUNT NWSC	10,367.00	60,317.10		-60,317.10		
58300	PAYMENT TO SUB-ACCOUNT RWSC	18,399.65	107,052.50		-107,052.50		
58790	Misc Expenditures	28.00	7,067.21	15,000.00	7,932.79	211.55	5,783.83
59600	Capital Acquisition	2,396.24	114,042.27	384,974.00	270,931.73	7,038.00	114,573.91
	Total Account	381,605.59	2,806,519.52	5,128,426.34	2,321,906.82	338,144.89	2,810,844.10
601200	NWSC						
51100	Salaries/Wages	10,380.89	72,082.09		-72,082.09	8,591.32	70,732.87
51120	Overtime	2,580.90	21,593.08		-21,593.08	1,423.08	18,441.81
51130	Stand-by	120.00	900.00		-900.00	120.00	920.00
	Total Account	13,081.79	94,575.17		-94,575.17	10,134.40	90,094.68
601300	RWSC						
51100	Salaries/Wages	9,136.32	56,872.63		-56,872.63	8,341.20	56,251.10
51120	Overtime	808.29	8,554.47		-8,554.47	1,456.19	13,455.66
51130	Stand-by	120.00	900.00		-900.00	120.00	920.00
	Total Account	10,064.61	66,327.10		-66,327.10	9,917.39	70,626.76
603000	Debt Services						
53260	Tax Collector Fees		10,159.86	14,550.00	4,390.14		11,032.98
53270	Appraisal District Fees		2,922.56	6,910.00	3,987.44		3,098.82
56110	Bond Principal			270,000.00	270,000.00		
56120	Bond Interest Expense		39,275.00	78,550.00	39,275.00		43,175.00
56130	Fiscal Agent's Fees		100.00	200.00	100.00		100.00
	Total Account		52,457.42	370,210.00	317,752.58		57,406.80
609010	Capital Projects						
51100	Salaries/Wages		12,825.92		-12,825.92	6,385.93	43,730.94
54720	Cathodic Protect Materials						163,273.14
	Total Account		12,825.92		-12,825.92	6,385.93	207,004.08

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SOUTH TEXAS WATER AUTHORITY

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Income Statement - Comparison to Prior Year
For the Accounting Period: 4 / 26

Combined Funds

Account Object	Description	----- Current Year -----				----- Last Year -----	
		Current Month	Current YTD	Budget	Variance	Prior Year Month	Prior Year YTD
	Total	404,751.99	3,032,705.13	5,498,636.34	2,465,931.21	364,582.61	3,235,976.42
	Net Income from Operations	-119,417.35	884,101.63			-78,949.50	530,993.33
	Other Revenue						
48120	Sale of Assets			15,000.00	-15,000.00	8,217.90	8,217.90
48200	SUB-ACCOUNT NWSC	10,367.00	180,950.95		180,950.95		
48300	SUB-ACCOUNT RWSC	18,399.65	321,157.85		321,157.85		
	Total Other	28,766.65	502,108.80	15,000.00	487,108.80	8,217.90	8,217.90
	Net Income	-90,650.70	1,386,210.43			-70,731.60	539,211.23

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**REVENUE FUND
INCOME STATEMENT
FOR PERIOD ENDING April 30, 2026**

58.06%

	MONTHLY	YEAR TO DATE WITH THIS MONTH	2026 ADOPTED BUDGET W/Adjustment	% OF 2026 ADOPTED BUDGET	2025 YEAR TO DATE	2025 Final BUDGET
REVENUES						
Water Service Revenue	\$134,427	\$1,017,120	\$1,764,065	58%	\$782,806	\$1,700,677
Handling Charge Revenue	\$25,303	\$189,254	\$330,133	57%	\$128,434	\$269,400
Premium Incremental Increase	\$990	\$7,406	\$13,030	57%	\$5,129	\$10,100
Surcharge - Out of District	\$741	\$5,190	\$12,264	42%	\$5,286	\$10,205
Interest Income	\$15,246	\$110,464	\$165,000	67%	\$112,278	\$216,150
Interest - Note	\$0	\$0	\$0		\$165	\$0
Other Revenue						
Operating & Maintenance Fees	\$73,348	-\$8,972	\$7,850	-114%	\$3,936	\$8,250
Miscellaneous Revenues	\$7,354	\$109,064	\$15,000	727%	\$105,135	\$134,500
Industry Revenues	\$0	\$0	\$0		\$0	\$659,941
Sub-Account NWSC	\$10,367	\$180,951	\$0		\$0	\$0
Sub-Account RWSC	\$18,400	\$321,158	\$0		\$0	\$0
TOTAL REVENUES	\$286,176	\$1,931,635	\$2,307,342	84%	\$1,143,169	\$3,009,223
EXPENDITURES						
Water Service Expenditures:						
Bulk Water Purchases	\$132,381	\$1,014,402	\$1,764,065	58%	\$788,704	\$1,700,677
Payroll Costs						
Salaries & Wages - Perm. Employees	\$32,013	\$183,325	\$433,907	42%	\$178,784	\$636,200
Salaries & Wages - Vacation Buyback	\$0	\$6,224	\$6,224	100%	\$4,904	\$5,850
Overtime - NWSC	\$2,581	\$0	\$0	0%	\$0	\$0
Stand-by Pay - NWSC	\$120	\$0	\$0	0%	\$0	\$0
Overtime - RWSC	\$808	\$0	\$0	0%	\$0	\$0
Stand-by Pay - RWSC	\$120	\$0	\$0	0%	\$0	\$0
Overtime - STWA	\$1,452	\$18,737	\$24,000	78%	\$15,650	\$30,000
Stand-by Pay - STWA	\$120	\$907	\$1,560	58%	\$800	\$1,620
Employee Retirement Premiums	\$8,728	\$17,069	\$69,044	25%	\$34,608	\$129,072
Group Insurance Premium	\$43,699	\$106,501	\$270,401	39%	\$120,328	\$526,690
Unemployment Compensation	\$3,037	\$914	\$515	177%	-\$454	\$1,769
Workers' Compensation	\$0	\$13,193	\$19,004	69%	\$12,806	\$16,780
Medicare	\$950	\$3,401	\$14,698	23%	\$2,554	\$14,034
Supplies & Materials						
Repairs & Maintenance	\$10,600	\$42,867	\$125,000	34%	\$54,181	\$125,000
Meter Expense	\$0	\$0	\$5,000	0%	\$0	\$1,200
Tank Repairs	\$0	\$0	\$35,000	0%	\$0	\$10,000
Major Repairs	\$25,432	\$25,432	\$25,000	102%	\$129,926	\$135,000
Other Operating Expenditures:						
Professional Fees						
Legal	\$15,668	\$94,384	\$125,000	76%	\$81,941	\$175,000
Auditing	\$0	\$15,200	\$15,200	100%	\$12,570	\$12,570
Engineering	\$46,095	\$164,967	\$250,000	66%	\$255,299	\$420,000
Management & Consulting	\$5,000	\$5,000	\$80,000	6%	\$33,881	\$82,000
JMAR Management Consulting LLC	\$8,333	\$40,832	\$70,000	58%	\$35,000	\$100,000
Inspection/GIS Mapping	\$0	\$0	\$7,500	0%	\$1,487	\$2,000
Consum Supplies/Materials						
Postage	\$0	\$1,204	\$8,500	14%	\$1,172	\$4,999
Printing/Office Supplies	\$4,555	\$18,714	\$37,500	50%	\$13,459	\$42,445
Janitorial/Site Maintenance	\$955	\$6,546	\$22,500	29%	\$9,705	\$22,700
Fuel/Lubricants/Repairs	\$7,342	\$51,486	\$70,000	74%	\$29,423	\$117,290
Chemicals/Water Samples	\$6,751	\$21,683	\$45,000	48%	\$16,215	\$39,500
Safety Equipment	\$1,788	\$5,471	\$5,000	109%	\$3,330	\$6,500
Small Tools	\$147	\$2,356	\$3,000	79%	\$982	\$3,500
Recurring Operating Costs						
Telephone/Communications	\$2,536	\$16,575	\$40,000	41%	\$12,651	\$36,940

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	MONTHLY	YEAR TO	2026	% OF 2026	2025	2025
Utilities	\$2,323	\$58,849	\$112,500	52%	\$50,794	\$105,000
D & O Liability Insurance	\$0	\$2,278	\$4,500	51%	\$3,232	\$3,750
Property Insurance	\$0	\$63,756	\$63,756	100%	\$61,492	\$61,600
General Liability	-\$128	\$5,036	\$6,000	84%	\$4,446	\$4,446
Auto Insurance	\$0	\$5,145	\$5,145	100%	\$4,718	\$4,718
Travel/Training/Meetings-Staff	\$1,377	\$9,500	\$20,000	47%	\$11,181	\$22,500
Travel/Training/Meetings-Board of Dir.	\$0	\$2,875	\$10,000	29%	\$2,302	\$6,000
Travel/Training/Meetings-Legislation	\$0	\$0	\$2,000	0%	\$0	\$0
Rental-Equipment/Uniforms	\$0	\$7,872	\$15,743	50%	\$4,965	\$12,000
Dues/Subscriptions/Publication	\$8,778	\$11,988	\$19,000	63%	\$8,591	\$20,000
Pass Through Cost	\$0	\$0	\$250	0%	\$0	\$50
Bad Debt Expense	\$0	\$0	\$0	0%	-\$5,771	\$0
Payment to Sub-Account NWSC	\$10,367	\$60,317	\$0	0%	\$0	\$0
Payment to Sub-Account RWSC	\$18,400	\$107,053	\$0	0%	\$0	\$0
Miscellaneous						
Miscellaneous Expenditures	\$28	\$7,066	\$15,000	47%	\$5,572	\$15,000
Total Administrative & Operations Exp.	\$402,356	\$2,219,125	\$3,846,511	58%	\$2,001,428	\$4,654,400
Capital Outlay						
Capital Acquisition	\$2,396	\$114,043	\$384,974	30%	\$107,536	\$225,000
Catholic Protection	\$0.00	\$0	\$590,500	0%	\$0	\$0
Total Expenditures Capital Outlay	\$2,396	\$114,043	\$975,474	12%	\$107,536	\$225,000
TOTAL EXPENDITURES	\$404,752	\$2,333,167	\$4,821,985	48%	\$2,108,964	\$4,879,400
Excess (Deficiencies) of Revenue Over Expenditures	-\$118,576	-\$401,532	-\$2,514,643		-\$965,795	-\$1,870,177
OTHER FINANCE SOURCE (USES)						
Transfer to Other Funds						
Transfer from Tax Account	-	0	\$1,668,498	0%	\$0	\$1,630,025
Extra Ordinary Income						
Disposition of Assets (Surplus Sale)	-	0	\$5,000	0%	\$0	\$3,500
TOTAL OTHER FINANCING SOURCES (USES)	\$0	\$0	\$1,673,498	0%	\$0	\$1,633,525
EXCESS (DEFICIENCIES) OF REVENUES OVER OTHER SOURCES (USES)	-\$118,576	-\$401,532	-\$841,145		-\$965,795	-\$236,652
rounding error						-\$1.00
NET INCOME	-\$118,576	-\$401,533	-\$841,145		-\$965,795	-\$236,652

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**TAX FUND
INCOME STATEMENT
FOR PERIOD ENDING APRIL 30, 2026**

58.06%

	MONTHLY	YEAR TO DATE	2026 ADOPTED BUDGET	% OF 2026 ADOPTED BUDGET	2025 YEAR TO DATE	2025 FINAL BUDGET
REVENUES						
Ad-Valorem - Current	15,424	1,591,975	1,635,951	97%	1,614,791	1,665,196
Delinquent Tax Revenue	3,085	18,683	40,000	47%	27,412	38,115
Penalty & Interest - Tax Accounts	2,929	16,118	29,200	55%	15,767	27,345
Miscellaneous	-1	-21	0	0%	-24	0
TOTAL TAXES & INTEREST	21,438	1,626,756	1,705,151	95%	1,657,946	1,722,615
EXPENDITURES						
Tax Collector Fees		49,644	71,042	70%	52,396	68,980
Appraisal Districts	0	14,281	33,730	42%	14,717	31,651
TOTAL EXPENDITURES	0	63,925	104,772	61%	67,113	100,631
Transfer to General Fund	0	0	1,600,379	0%	0	1,630,025
EXCESS REVENUES & OTHER FINANCING SOURCES OVER(UNDER) EXPENDITURES AND OTHER USES	21,438	1,562,831	0		1,590,833	(8,041)

(7)

**Special Services
INCOME STATEMENT
FOR PERIOD ENDING APRIL 30, 2026**

58.06%

	MONTHLY	YEAR TO DATE	2026 ADOPTED BUDGET	% OF 2026 ADOPTED BUDGET	2025 YEAR TO DATE	2025 FINAL BUDGET
REVENUES						
Ricardo Water Supply Corporation	34,970	225,616	563,786	40%	194,865	449,088
Nueces Water Supply Corporation	37,796	290,109	557,953	52%	211,436	439,152
TOTAL REVENUES	72,766	515,725	1,121,739	46%	406,301	888,240
EXPENDITURES						
Personnel	38,992	340,531	527,392	65%	258,749	454,994
Administrator	2,500	17,500	30,000	58%	17,500	30,000
Overhead	31,720	212,387	564,346	38%	230,210	403,246
TOTAL EXPENDITURES *	73,212	570,418	1,121,738	51%	506,459	888,240
EXCESS REVENUES & OTHER FINANCING SOURCES OVER(UNDER) EXPENDITURES AND OTHER USES	(446)	(54,693)	1		(100,158)	0

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SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
For the Accounting Period: 4 / 26

101 Water

		Opening Balance	Change	Closing Balance
Assets				
101. 10100	STWA - Operations	24,024.63	14,732.37	38,757.00
101. 10200	STWA - General	241,114.64	441,322.68	682,437.32
101. 10210	STWA - General Money Market	41,515.85	30.71	41,546.56
101. 10400	STWA - Payroll	81,882.94	7,912.00	89,794.94
101. 10800	Petty Cash	150.00		150.00
101. 11300	TexPool	5,473,648.21 (	458,243.33)	5,015,404.88
101. 12100	Tax Accounts Receivable	225,780.22		225,780.22
101. 12101	Allowance for Uncollect Taxes	(88,575.35)		(88,575.35)
101. 12102	Allowance for doubtful Accounts	(12,483.96)		(12,483.96)
101. 12120	Interlocal Rec - Tax Assessor	7,517.09 (	5,316.11)	2,200.98
101. 12200	Service Accts Receivable	(5,771.27)		(5,771.27)
101. 12201	Agua Dulce-Water	14,587.15 (	7,698.07)	6,889.08
101. 12202	Bishop - Water	32,724.46 (	17,449.54)	15,274.92
101. 12203	Driscoll - Water	22,196.34	7,870.61	30,066.95
101. 12204	Kingsville - Water	41,261.89 (	17,868.18)	23,393.71
101. 12205	NCWCID 5 - Water	42,921.36	474.71	43,396.07
101. 12206	Ricardo WSC - Water	50,166.72 (	8,464.88)	41,701.84
101. 12207	Nueces WSC - Water	46,108.90 (	6,347.76)	39,761.14
101. 12208	Ricardo WSC - General & Admin	53,042.92 (	8,630.26)	44,412.66
101. 12209	Nueces WSC - General & Admin	32,800.45 (	7,353.35)	25,447.10
101. 12500	Interlocal Rec-Bishop	(604.65) (	1,119.63) (	1,724.28)
101. 12700	Interlocal Rec-Driscoll	2,442.43	582.46	3,024.89
101. 12900	Interlocal Rec-Ricardo	8,018.02 (	1,033.01)	6,985.01
101. 12901	RWSC-Credit Card	1,414.89	72.16	1,487.05
101. 13000	Interlocal Rec-Nueces	30,056.95 (	4,816.25)	25,240.70
101. 13001	NWSC Credit Card	2,600.32	226.48	2,826.80
101. 13510	Due From Capital Projects Fund	173,544.21		173,544.21
101. 13520	Due from Debt Service Fund	16,207.20		16,207.20
101. 13530	Due from D.S.-Collect Service	16,505.60		16,505.60
101. 13900	Notes Receivable - Current	152.47		152.47
101. 14200	Prepaid Expenses	38,343.28		38,343.28
101. 15500	Inventory	38,158.12		38,158.12
101. 16000	Reimbursement Receivable	334,739.20		334,739.20
	Total Assets	6,986,191.23 (71,116.19)	6,915,075.04

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SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
For the Accounting Period: 4 / 26

Page: 2 of 4
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101 Water

		Opening Balance	Change	Closing Balance
Liabilities and Fund Equity				
101. 20300	Trade Accounts Payable	187,972.54	54,441.08	242,413.62
101. 20310	Conversion Trade Accounts Payable	333.16		333.16
101. 20400	Salaries & Wages Payable	31,500.00 (	28,461.04)	3,038.96
101. 20501	Due to NWSC	7,324.89		7,324.89
101. 20502	Due to RWSC	6,368.23		6,368.23
101. 21051	Federal WH Taxes Payable	150.77		150.77
101. 21052	Medicare Payable	665.32		665.32
101. 21061	Emply Retire Prem Payable	11,879.72		11,879.72
101. 21062	Unemployment Ins Payable	9,949.26		9,949.26
101. 21063	Emply Loan WH Payble	(671.10)		(671.10)
101. 21064	Emply Insurance WH Payble	(23,087.53)	41.69 (	23,045.84)
101. 21065	Emply AFLAC Ins WH Payble	436.55 (	151.97)	284.58
101. 21066	Emply Child Support WH Payble	(439.22)		(439.22)
101. 21067	Emply Nationwide WH Payble	200.00		200.00
101. 21068	Emply Advance WH Payble	(539.46)		(539.46)
101. 21069	Emply Other WH Payble	3,003.07		3,003.07
101. 21100	Miscellaneous Payables	24,302.39		24,302.39
101. 21500	Compensated Absences	14,581.89		14,581.89
101. 21700	Deferred Tax Revenue	137,204.87		137,204.87
101. 24100	Due to Debt Service Fund	13,248.84	151.74	13,400.58
101. 24200	Due to Capital Projects Fund	(289,296.25)		(289,296.25)
101. 28300	Fund Balance	(3,588.53)		(3,588.53)
101. 28400	Retained Earnings	5,605,615.32		5,605,615.32
101. 28410	Assigned Fund Bal. - Inventory	45,335.18		45,335.18
101. 28999	Net Income Current Year	1,203,741.32 (	97,137.69)	1,106,603.63
Total Liabilities and Fund Equity		6,986,191.23 (	71,116.19)	6,915,075.04
Revenue				
101. 41100	Tax Revenue	1,576,550.60	15,424.19	1,591,974.79
101. 41120	Delinquent Tax Revenue	15,597.96	3,085.47	18,683.43
101. 41150	Penalties & Interest - Tax	13,189.59	2,928.61	16,118.20
101. 41950	Miscellaneous - Taxes	(19.29) (	0.73) (	20.02)
101. 44100	Water Service Revenue	882,692.61	134,426.67	1,017,119.28
101. 44210	Handling Charge Revenue	163,951.08	25,303.15	189,254.23
101. 44230	Premium Incremental Increase	6,415.66	990.08	7,405.74
101. 44240	Surcharge - Out-of-District	4,448.58	741.43	5,190.01
101. 44600	Operations & Maint Fees	433,313.91	73,348.30	506,662.21

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SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
For the Accounting Period: 4 / 26

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101 Water

		Opening Balance	Change	Closing Balance
101. 46000	MISCELLANEOUS REVENUE	101,334.45	7,354.40	108,688.85
101. 46100	Miscellaneous Income	375.95		375.95
101. 47100	Interest income	95,217.87	15,246.08	110,463.95
101. 48200	SUB-ACCOUNT NWSC	170,583.95	10,367.00	180,950.95
101. 48300	SUB-ACCOUNT RWSC	302,758.20	18,399.65	321,157.85
	Total Revenue	3,766,411.12	307,614.30	4,074,025.42
Expenditures				
101.601000.50200	Purchased water	882,021.11	132,380.53	1,014,401.64
101.601000.51100	Salaries/Wages	350,366.21	12,495.55	362,861.76
101.601000.51120	Overtime	17,285.14	1,451.88	18,737.02
101.601000.51130	Stand-by	786.77	120.00	906.77
101.601000.51160	Vacation Buyback	6,224.32		6,224.32
101.601000.51200	Employee Retirement	42,219.75	8,727.69	50,947.44
101.601000.51201	Group Ins - Health	206,936.02	42,622.40	249,558.42
101.601000.51202	Group Ins - Life	4,251.38	536.30	4,787.68
101.601000.51203	Group Ins - Dental	4,098.78	540.52	4,639.30
101.601000.51300	Unemployment Ins	12.22	3,036.96	3,049.18
101.601000.51400	Workers Compensation	19,004.09		19,004.09
101.601000.51700	Medicare	7,364.23	949.63	8,313.86
101.601000.52110	Postage	4,498.47		4,498.47
101.601000.52120	Printing/Office Supplies	16,623.30	4,554.64	21,177.94
101.601000.52130	Janitorial/Site Maint	5,590.81	955.40	6,546.21
101.601000.52160	Small Tools	2,209.53	146.99	2,356.52
101.601000.52380	Safety Equipment	3,683.29	1,787.99	5,471.28
101.601000.53110	Legal	78,715.50	15,668.25	94,383.75
101.601000.53120	Auditing	15,200.00		15,200.00
101.601000.53130	Engineering	118,872.25	46,094.75	164,967.00
101.601000.53140	Management & Consulting	49,999.98	13,333.33	63,333.31
101.601000.53260	Tax Collector Fees	49,644.24		49,644.24
101.601000.53270	Appraisal District Fees	14,280.58		14,280.58
101.601000.54110	General Repairs & Maintenance	32,266.96	10,599.84	42,866.80
101.601000.54140	Fuel/Lubricants/Repairs	45,399.55	7,341.93	52,741.48
101.601000.54150	Chemicals/Water Samples	14,931.43	6,751.49	21,682.92
101.601000.54291	Major Repairs		25,432.00	25,432.00
101.601000.55110	Telephone/Communications	20,193.34	2,535.82	22,729.16
101.601000.55120	Utilities	56,525.89	2,323.00	58,848.89
101.601000.55130	D & O Liability Insurance	2,278.00		2,278.00
101.601000.55140	Property Insurance	63,755.82		63,755.82
101.601000.55150	General Liability Ins	5,163.25	127.50	5,035.75

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SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
For the Accounting Period: 4 / 26

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101 Water

		Opening Balance	Change	Closing Balance
101.601000.55160	Auto Insurance	5,145.00		5,145.00
101.601000.55180	Travel/Training/Meetings	10,996.57	1,377.36	12,373.93
101.601000.55610	Rental-Equip/Uniforms	7,871.41		7,871.41
101.601000.55620	Dues/Subscriptions/Advert	3,210.55	8,777.95	11,988.50
101.601000.58200	PAYMENT TO SUB-ACCOUNT NWSC	49,950.10	10,367.00	60,317.10
101.601000.58300	PAYMENT TO SUB-ACCOUNT RWSC	88,652.85	18,399.65	107,052.50
101.601000.58790	Misc Expenditures	7,039.21	28.00	7,067.21
101.601000.59600	Capital Acquisition	111,646.03	2,396.24	114,042.27
	Total STWA	2,424,913.93	381,605.59	2,806,519.52
101.601200.51100	Salaries/Wages	61,701.20	10,380.89	72,082.09
101.601200.51120	Overtime	19,012.18	2,580.90	21,593.08
101.601200.51130	Stand-by	780.00	120.00	900.00
	Total NWSC	81,493.38	13,081.79	94,575.17
101.601300.51100	Salaries/Wages	47,736.31	9,136.32	56,872.63
101.601300.51120	Overtime	7,746.18	808.29	8,554.47
101.601300.51130	Stand-by	780.00	120.00	900.00
	Total RWSC	56,262.49	10,064.61	66,327.10
	Total Expenditures	2,562,669.80	404,751.99	2,967,421.79

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SOUTH TEXAS WATER AUTHORITY
Balance Sheet
For the Accounting Period: 4 / 26

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101 Water

Assets

Current Assets

STWA - Operations	38,757.00
STWA - General	682,437.32
STWA - General Money Market	41,546.56
STWA - Payroll	89,794.94
Petty Cash	150.00
TexPool	5,015,404.88
Tax Accounts Receivable	225,780.22
Allowance for Uncollect Taxes	(88,575.35)
Allowance for doubtful Accounts	(12,483.96)
Interlocal Rec - Tax Assessor	2,200.98
Service Accts Receivable	(5,771.27)
Agua Dulce-Water	6,889.08
Bishop - Water	15,274.92
Driscoll - Water	30,066.95
Kingsville - Water	23,393.71
NCWCID 5 - Water	43,396.07
Ricardo WSC - Water	41,701.84
Nueces WSC - Water	39,761.14
Ricardo WSC - General & Admin	44,412.66
Nueces WSC - General & Admin	25,447.10
Interlocal Rec-Bishop	(1,724.28)
Interlocal Rec-Driscoll	3,024.89
Interlocal Rec-Ricardo	6,985.01
RWSC-Credit Card	1,487.05
Interlocal Rec-Nueces	25,240.70
NWSC Credit Card	2,826.80
Due From Capital Projects Fund	173,544.21
Due from Debt Service Fund	16,207.20
Due from D.S.-Collect Service	16,505.60
Notes Receivable - Current	152.47
Prepaid Expenses	38,343.28
Inventory	38,158.12
Reimbursement Receivable	334,739.20

Total Current Assets

6,915,075.04

Total Assets

6,915,075.04

Liabilities and Equity

Current Liabilities

Trade Accounts Payable	242,413.62
Conversion Trade Accounts Payable	333.16

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SOUTH TEXAS WATER AUTHORITY
Balance Sheet
For the Accounting Period: 4 / 26

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101 Water

Salaries & Wages Payable	3,038.96	
Due to NWSC	7,324.89	
Due to RWSC	6,368.23	
Federal WH Taxes Payable	150.77	
Medicare Payable	665.32	
Emply Retire Prem Payable	11,879.72	
Unemployment Ins Payable	9,949.26	
Emply Loan WH Payble	(671.10)	
Emply Insurance WH Payble	(23,045.84)	
Emply AFLAC Ins WH Payble	284.58	
Emply Child Support WH Payble	(439.22)	
Emply Nationwide WH Payble	200.00	
Emply Advance WH Payble	(539.46)	
Emply Other WH Payble	3,003.07	
Miscellaneous Payables	24,302.39	
Compensated Absences	14,581.89	
Deferred Tax Revenue	137,204.87	

Total Current Liabilities		437,005.11
Other Liabilities		
Due to Debt Service Fund	13,400.58	
Due to Capital Projects Fund	(289,296.25)	

Total Other Liabilities		(275,895.67)

Total Liabilities		161,109.44
Equity		
Fund Balance	(3,588.53)	
Retained Earnings	5,605,615.32	
Assigned Fund Bal. - Inventory	45,335.18	
CURRENT YEAR INCOME/(LOSS)	1,106,603.63	

Total Equity		6,753,965.60

Total Liabilities & Equity		6,915,075.04

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**DEBT SERVICE FUND
INCOME STATEMENT
FOR PERIOD ENDING April 30, 2026**

58.06%

	MONTHLY	YEAR TO DATE	2026 ADOPTED BUDGET	% OF 2026 ADOPTED BUDGET	2025 YEAR TO DATE	2025 FINAL BUDGET
REVENUES						
Ad-Valorem - Current	3,157	325,559	348,750	93%	338,706	367,927
Delinquent Tax Revenue	669	4,133	9,500	44%	5,912	9,500
Penalty & Interest - Tax Accounts	627	3,589	1,800	199%	3,427	2,200
Out-of-District Surcharge	152	1,062	5,500	19%	1,065	5,500
Interest on Temporary Investments	1,393	6,964	10,000	70%	7,679	13,200
Miscellaneous		0	0	0%	1,285	0
<i>TOTAL TAXES & INTEREST</i>	5,997	341,308	375,550	91%	358,074	398,327
OTHER FINANCING SOURCES						
Excess Bond Proceeds	0	0	0	0%	0	0
TOTAL OTHER FINANCE SOURCES	0	0	0	0%	0	0
TOTAL REVENUE AND OTHER FINANCE SOURCES						
	5,997	341,308	375,550	91%	358,074	398,327
EXPENDITURES						
Fiscal Agent Fees	0	100	200	50%	100	200
Bond Interest Expense	0	39,275	78,550	50%	43,175	86,350
Bond Principal Payments	0	0	270,000	0%	0	260,000
Tax Collector Fees	0	10,160	14,550	70%	11,033	14,650
Appraisal District Fees	0	2,923	6,910	42%	3,099	6,723
Miscellaneous	0	0	0	0%	0	0
TOTAL EXPENDITURES	0	52,457	370,210	14%	57,407	367,923
EXCESS REVENUES OVER(UNDER) EXPENDITURES AND OTHER USES						
	5,997	288,851	5,340		300,667	30,404

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SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
For the Accounting Period: 4 / 26

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310 Debt Service

		Opening Balance	Change	Closing Balance
Assets				
310. 11300	TexPool	459,977.83	6,931.15	466,908.98
310. 12100	Tax Accounts Receivable	58,893.97		58,893.97
310. 12101	Allowance for Uncollect Taxes	(11,370.61)		(11,370.61)
310. 12120	Interlocal Rec - Tax Assessor	1,542.97	(1,085.73)	457.24
310. 13511	Due from General Fund	13,248.84	151.74	13,400.58
	Total Assets	522,293.00	5,997.16	528,290.16
Liabilities and Fund Equity				
310. 21700	Deferred Tax Revenue	47,523.36		47,523.36
310. 24300	Due to General Fund	32,712.80		32,712.80
310. 28300	Fund Balance	159,203.04		159,203.04
310. 28999	Net Income Current Year	282,853.80	5,997.16	288,850.96
	Total Liabilities and Fund Equity	522,293.00	5,997.16	528,290.16
Revenue				
310. 41100	Tax Revenue	322,402.89	3,156.54	325,559.43
310. 41120	Delinquent Tax Revenue	3,464.01	669.17	4,133.18
310. 41150	Penalties & Interest - Tax	2,962.62	626.81	3,589.43
310. 44240	Surcharge - Out-of-District	910.44	151.74	1,062.18
310. 46100	Miscellaneous Income	(0.02)		(0.02)
310. 47100	Interest income	5,571.28	1,392.90	6,964.18
	Total Revenue	335,311.22	5,997.16	341,308.38

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SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
For the Accounting Period: 4 / 26

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310 Debt Service

		Opening Balance	Change	Closing Balance
Expenditures				
310.603000.53260	Tax Collector Fees	10,159.86		10,159.86
310.603000.53270	Appraisal District Fees	2,922.56		2,922.56
310.603000.56120	Bond Interest Expense	39,275.00		39,275.00
310.603000.56130	Fiscal Agent's Fees	100.00		100.00
	Total Debt Services	52,457.42		52,457.42
	Total Expenditures	52,457.42		52,457.42

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SOUTH TEXAS WATER AUTHORITY
Balance Sheet
For the Accounting Period: 4 / 26

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310 Debt Service

Assets

Current Assets

TexPool	466,908.98
Tax Accounts Receivable	58,893.97
Allowance for Uncollect Taxes	(11,370.61)
Interlocal Rec - Tax Assessor	457.24
Due from General Fund	13,400.58

Total Current Assets 528,290.16

Total Assets 528,290.16

Liabilities and Equity

Current Liabilities

Deferred Tax Revenue	47,523.36
----------------------	-----------

Total Current Liabilities 47,523.36

Other Liabilities

Due to General Fund	32,712.80
---------------------	-----------

Total Other Liabilities 32,712.80

Total Liabilities 80,236.16

Equity

Fund Balance	159,203.04
CURRENT YEAR INCOME/(LOSS)	288,850.96

Total Equity 448,054.00

Total Liabilities & Equity 528,290.16

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**CAPITAL PROJECTS FUND
INCOME STATEMENT
FOR PERIOD ENDING April 30, 2026**

58.06%

	MONTHLY	YEAR TO DATE	2026 ADOPTED BUDGET	% OF 2026 ADOPTED BUDGET	2025 YEAR TO DATE	2025 FINAL BUDGET
REVENUES						
Bond Proceeds	0	0	0	0%	0	0
Interest Income	490	3,582	0	0%	8,790	9,500
Other Income	0	0	0	0%	0	0
TOTAL REVENUE AND OTHER FINANCE SOURCES	490	3,582	0	0%	8,790	9,500
EXPENDITURES						
Right of Way Acquisition	0	0	0	0%	0	0
Engineering Fees	0	0	0	0%	0	0
Construction Costs	0	0	0	0%	0	0
42" Line-Cathodic Protection	0	0	0	0%	52,017	269,855
Pipeline Condition Assessment	0	0	0	0%	0	0
Legal & Administrative Fees	0	0	0	0%	0	0
Cost of Bond Issuance	0	0	0	0%	0	0
Salary	0	12,826	0	0%	0	0
TOTAL EXPENDITURES	0	12,826	0	0%	52,017	269,855
EXCESS REVENUES OVER(UNDER) EXPENDITURES AND OTHER USES	490	(9,244)	0		(43,227)	(260,355)

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SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
For the Accounting Period: 4 / 26

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410 Capital Projects

		Opening Balance	Change	Closing Balance
Assets				
410. 11400	TexStar	163,810.22	489.83	164,300.05
410. 13511	Due from General Fund	(289,296.25)	(	( 289,296.25)
		Total Assets	(489.83	(124,996.20)
Liabilities and Fund Equity				
410. 24300	Due to General Fund	173,544.21		173,544.21
410. 28300	Fund Balance	(289,296.25)	(	( 289,296.25)
410. 28999	Net Income Current Year	(9,733.99)	489.83 (	( 9,244.16)
		Total Liabilities and Fund Equity	(489.83	(124,996.20)
Revenue				
410. 47100	Interest income	3,091.93	489.83	3,581.76
		Total Revenue	489.83	3,581.76
Expenditures				
410.609010.51100	Salaries/Wages	12,825.92		12,825.92
		Total Capital Projects		12,825.92

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SOUTH TEXAS WATER AUTHORITY
Trial Balance with Revenues and Expenditures
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410 Capital Projects

	Opening Balance	Change	Closing Balance
Total Expenditures	12,825.92		12,825.92

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SOUTH TEXAS WATER AUTHORITY
Balance Sheet
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410 Capital Projects

Assets

Current Assets

TexStar 164,300.05
Due from General Fund (289,296.25)

Total Current Assets (124,996.20)

Total Assets (124,996.20)

Liabilities and Equity

Other Liabilities

Due to General Fund 173,544.21

Total Other Liabilities 173,544.21

Total Liabilities 173,544.21

Equity

Fund Balance (289,296.25)
CURRENT YEAR INCOME/(LOSS) (9,244.16)

Total Equity (298,540.41)

Total Liabilities & Equity (124,996.20)

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CHARLES W. ZAHN, JR.
ATTORNEY AT LAW
2106 STATE HIGHWAY 361, SUITE B
P.O. BOX 941
PORT ARANSAS, TEXAS 78373
Telephone: (361) 548-8967 * Fax: (361) 729-2381
Email: cwzjr@centurytel.net
May 5, 2026

South Texas Water Authority
2302 E. Sage Road
Kingsville, Texas 78363
Attn: Mr. John Marez
Executive Director

Re: Bill for services rendered through April 30, 2026

FOR SERVICES RENDERED AS FOLLOWS:

04/01/2026 CWZ Receipt and review of correspondence from John Marez; Telephone conference with John Marez; Telephone conference with John Marez	.80
04/02/2026 CWZ Conference with John Marez and Jose Graveley; Preparation of correspondence to Wes Strickland; Preparation of revisions to Amended and Restated Water Supply Agreement to Wes Strickland; Receipt and review of correspondence from Wes Strickland; Preparation of correspondence to Wes Strickland	2.40
04/04/2026 CWZ Receipt and review of correspondence from Wes Strickland; Receipt and review of Second Amended and Restated Water Supply Agreement; Preparation of correspondence to Jose Graveley and John Marez	1.20
04/07/2026 CWZ Receipt and review of correspondence from John Marez; Preparation of correspondence to Jose Graveley and John Marez; Receipt and review of correspondence from Jose Graveley; Receipt and review of correspondence from Wes Strickland; Telephone conference with John Marez; Receipt and review of correspondence from John Marez; Preparation of correspondence to Jose Graveley and John Marez	1.80
04/08/2026 CWZ Conference with Oliver Wiese, Kasey Stinson, Wes Strickland and John Marez; Telephone conference with Wes Strickland; Conference with Wes Strickland; Receipt and review of correspondence from Wes Strickland; Preparation of correspondence to Jose Graveley and John Marez; Receipt and review of correspondence from Jose Graveley; Preparation of correspondence to Wes Strickland; Receipt and review of correspondence from Wes Strickland	2.40

South Texas Water Authority

May 5, 2026

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04/09/2026 CWZ Receipt and review of correspondence from Wes Strickland; Preparation of correspondence to Wes Strickland; Telephone conference with Wes Strickland; Receipt and review of correspondence from John Marez; Receipt and review of correspondence from Wes Strickland; Preparation of correspondence to Wes Strickland; Telephone conference with Wes Strickland; Preparation of correspondence to Jose Graveley and John Marez; Receipt and review of correspondence from John Marez	2.20
04/10/2026 CWZ Telephone conference with John Marez; Travel to and attend meeting with Kent Britton, Omar Garcia, Sam Esquivel, Jimmy Welder and John Marez; Preparation of correspondence to Jimmy Welder	3.80
04/13/2026 CWZ Receipt and review of correspondence from Wes Strickland; Preparation of correspondence to John Marez	.60
04/14/2026 CWZ Receipt and review of correspondence from John Marez; Preparation of correspondence to Jose Graeveley and John Marez; Telephone conference with John Marez	.60
04/15/2026 CWZ Preparation of correspondence to John Marez; Receipt and review of correspondence from Francis De Leon; Preparation of correspondence to Wes Strickland; Receipt and review of correspondence from Kacey Stinson; Receipt and review of correspondence from John Marez	1.20
04/19/2026 CWZ Receipt and review of correspondence from John Marez; Receipt and review of Memorandum of Understanding with 28 Midstream; Preparation of correspondence to John Marez	.80
04/21/2026 CWZ Receipt and review of correspondence from Wes Strickland	.20
04/29/2026 CWZ Receipt and review of Agenda for the May 5, 2026 Regular Meeting of the Board of Directors; Preparation of correspondence to John Marez	.40
04/30/2026 Preparation of correspondence to Wes Strickland	.20

18.60 hours @ \$450.00 per hour = \$8,370.00



INVOICE

Bill To:
 South Texas Water Authority (STWA)
 2302 E.Sage Rd
 Kingsville TX 78363

DATE:
 May 8, 2026

INVOICE # 3880

Period of Performance:
 April 1 - 30, 2026

Attention: Mr. John Marez, Executive Director

PROJECT: OnCall Services HB 500 2026 Water Projects

DESCRIPTION		QTY	Rate	CURRENT AMOUNT DUE	REMAINING BALANCE
PROFESSIONAL SERVICES BREAKDOWN					
Ivan Luna	Project Manager II		\$ 178.00	\$ -	
Sergio Luna	Project Manager I	40.00	\$ 146.00	\$ 5,840.00	
Ansar Palakkal / Ricardo Torres	Engineer IV	0.00	\$ 146.00	\$ -	
	Engineer III	16.50	\$ 123.00	\$ 2,029.50	
	Engineer II		\$ 104.00	\$ -	
	Architect Jr.		\$ 115.00	\$ -	
	Architect Sr.		\$ 147.00	\$ -	
	Designr I		\$ 107.00		
	Designr II		\$ 120.00		
	CADD Tech IV		\$ 98.00		
	CADD Tech III		\$ 78.00		
	Survey Tech		\$ 72.00		
	Survey Tech Sr.		\$ 119.00		
	2 Man Survey Crew		\$ 175.00		
	3 Man Survey Crew		\$ 235.00		
	RPLS		\$ 149.00		
	Leica 3D Terrestrial (per day)		\$ 750.00		
	Leica UAS Phtogrammetry (per day)		\$ 500.00		
	Construction Insp II		\$ 81.00		
	Construction Insp III		\$ 114.00		
	Admin / Clerical		\$ 52.00		
ADDITIONAL SERVICES					
				\$ -	\$ -
				\$ -	\$ -
TOTAL					
				TOTAL DUE	\$7,869.50

Please remit to:
 International Consulting Engineers
 261 Saratoga Blvd
 Corpus Christi, TX 78417

First name	Last name	Date	Day	In	Out	Hours	Customer
Luna							
Ivan	Luna	04/06/2026	Mon			4.00	South Texas Water Authority > 22116-03 STWA On-Call Services > HB 500 2026 -Water Projects
<p>NOTES: ===DWSRF and HB 500 Projects=== 1. Continue reviewing guidelines and communications. 2. Developed Project Approach for DWSRF and HB500. 3. Prepared Material for Presentations. 4. Delivered Presentation. 5. Coordinated with internal ICE Team for After Action Review. 6. Developed Action Items. 7. Monitored progress of Action Items.</p>							
Ivan	Luna	04/07/2026	Tue			4.00	South Texas Water Authority > 22116-03 STWA On-Call Services > HB 500 2026 -Water Projects
<p>NOTES: ===DWSRF and HB 500 Projects=== 1. Continue reviewing guidelines and communications. 2. Developed Project Approach for DWSRF and HB500. 3. Prepared Material for Presentations. 4. Delivered Presentation. 5. Coordinated with internal ICE Team for After Action Review. 6. Developed Action Items. 7. Monitored progress of Action Items.</p>							
Ivan	Luna	04/08/2026	Wed			4.00	South Texas Water Authority > 22116-03 STWA On-Call Services > HB 500 2026 -Water Projects
<p>NOTES: ===DWSRF and HB 500 Projects=== 1. Continue reviewing guidelines and communications. 2. Developed Project Approach for DWSRF and HB500. 3. Prepared Material for Presentations. 4. Delivered Presentation. 5. Coordinated with internal ICE Team for After Action Review. 6. Developed Action Items. 7. Monitored progress of Action Items.</p>							
Ivan	Luna	04/09/2026	Thu			4.00	South Texas Water Authority > 22116-03 STWA On-Call Services > HB 500 2026 -Water Projects
<p>NOTES: ===DWSRF and HB 500 Projects=== 1. Continue reviewing guidelines and communications. 2. Developed Project Approach for DWSRF and HB500. 3. Prepared Material for Presentations. 4. Delivered Presentation. 5. Coordinated with internal ICE Team for After Action Review. 6. Developed Action Items. 7. Monitored progress of Action Items.</p>							
Ivan	Luna	04/10/2026	Fri			4.00	South Texas Water Authority > 22116-03 STWA On-Call Services > HB 500 2026 -Water Projects
<p>NOTES: ===DWSRF and HB 500 Projects=== 1. Continue reviewing guidelines and communications. 2. Developed Project Approach for DWSRF and HB500. 3. Prepared Material for Presentations. 4. Delivered Presentation. 5. Coordinated with internal ICE Team for After Action Review. 6. Developed Action Items. 7. Monitored progress of Action Items.</p>							
Ivan	Luna	04/13/2026	Mon			4.00	South Texas Water Authority > 22116-03 STWA On-Call Services > HB 500 2026 -Water Projects
<p>NOTES: ===DWSRF and HB 500 Projects=== 1. Continue reviewing guidelines and communications. 2. Developed Project Approach for DWSRF and HB500. 3. Prepared Material for Presentations. 4. Delivered Presentation. 5. Coordinated with internal ICE Team for After Action Review. 6. Developed Action Items. 7. Monitored progress of Action Items.</p>							

Ivan	Luna	04/14/2026	Tue	4.00	South Texas Water Authority > 22116-03 STWA On-Call Services > HB 500 2026 -Water Projects
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NOTES: ===DWSRF and HB 500 Projects=== 1. Continue reviewing guidelines and communications. 2. Developed Project Approach for DWSRF and HB500. 3. Prepared Material for Presentations. 4. Delivered Presentation. 5. Coordinated with internal ICE Team for After Action Review. 6. Developed Action Items. 7. Monitored progress of Action Items.

Ivan	Luna	04/15/2026	Wed	4.00	South Texas Water Authority > 22116-03 STWA On-Call Services > HB 500 2026 -Water Projects
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NOTES: ===DWSRF and HB 500 Projects=== 1. Continue reviewing guidelines and communications. 2. Developed Project Approach for DWSRF and HB500. 3. Prepared Material for Presentations. 4. Delivered Presentation. 5. Coordinated with internal ICE Team for After Action Review. 6. Developed Action Items. 7. Monitored progress of Action Items.

Ivan	Luna	04/16/2026	Thu	4.00	South Texas Water Authority > 22116-03 STWA On-Call Services > HB 500 2026 -Water Projects
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NOTES: ===DWSRF and HB 500 Projects=== 1. Continue reviewing guidelines and communications. 2. Developed Project Approach for DWSRF and HB500. 3. Prepared Material for Presentations. 4. Delivered Presentation. 5. Coordinated with internal ICE Team for After Action Review. 6. Developed Action Items. 7. Monitored progress of Action Items.

Ivan	Luna	04/20/2026	Mon	2.00	South Texas Water Authority > 22116-03 STWA On-Call Services > HB 500 2026 -Water Projects
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NOTES: ===DWSRF and HB 500 Projects=== 1. Continue reviewing guidelines and communications. 2. Developed Project Approach for DWSRF and HB500. 3. Prepared Material for Presentations. 4. Delivered Presentation. 5. Coordinated with internal ICE Team for After Action Review. 6. Developed Action Items. 7. Monitored progress of Action Items.

Ivan	Luna	04/21/2026	Tue	2.00	South Texas Water Authority > 22116-03 STWA On-Call Services > HB 500 2026 -Water Projects
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NOTES: ===DWSRF and HB 500 Projects=== 1. Continue reviewing guidelines and communications. 2. Developed Project Approach for DWSRF and HB500. 3. Prepared Material for Presentations. 4. Delivered Presentation. 5. Coordinated with internal ICE Team for After Action Review. 6. Developed Action Items. 7. Monitored progress of Action Items.

Palakkal

Mohamed Ansar	Palakkal	04/09/2026	Thu	3:00pm	5:00pm	2.00	South Texas Water Authority > 22116-03 STWA On-Call Services > HB 500 2026 -Water Projects
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NOTES: HB 500 Funding application strategy meeting * Meeting with STWA * ICE INTERNAL COORDINATION Meeting.

Mohamed Ansar	Palakkal	04/11/2026	Sat	11:00am	3:00pm	4.00	South Texas Water Authority > 22116-03 STWA On-Call Services > HB 500 2026 -Water Projects
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NOTES: DWSRF AND HB 500 Funding strategy * Drafting PPT * Updating project cost * Updating project list * Internal coordination meeting.

Mohamed Ansar	Palakkal	04/12/2026	Sun	1:00pm	4:00pm	3.00	South Texas Water Authority > 221 16-03 STWA On-Call Services > HB 500 2026 -Water Projects
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NOTES: DWSRF AND HB 500 Funding strategy * Drafting PPT * Updating project cost * Updating project list * Internal coordination meeting (03:00 to 04:00)

Mohamed Ansar	Palakkal	04/13/2026	Mon			3.50	South Texas Water Authority > 221 16-03 STWA On-Call Services > HB 500 2026 -Water Projects
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NOTES: STWA Strategy Meeting for TWDB Projects-DWSRF & WSIG * ICE Presentation, HB 500 funding options.

Mohamed Ansar	Palakkal	04/20/2026	Mon	9:00am	11:00am	2.00	South Texas Water Authority > 221 16-03 STWA On-Call Services > HB 500 2026 -Water Projects
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NOTES: Review and finalization of HB 500 project list * phone call communication with Patrick * Review of project 2023 cost estimate.

Mohamed Ansar	Palakkal	04/22/2026	Wed	10:00am	11:00am	1.00	South Texas Water Authority > 221 16-03 STWA On-Call Services > HB 500 2026 -Water Projects
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NOTES: WSIG Weekly Planning- ICE Internal coordination meeting

Mohamed Ansar	Palakkal	04/23/2026	Thu	2:00pm	3:00pm	1.00	South Texas Water Authority > 221 16-03 STWA On-Call Services > HB 500 2026 -Water Projects
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NOTES: Phone call with Patrick for discussing HB 500 selected pump station rehab and requesting available construction drawings.



INVOICE

Bill To:
 South Texas Water Authority (STWA)
 2302 E. Sage Rd
 Kingsville TX 78363

DATE:
 May 8, 2026

INVOICE # 3882

Period of Performance:
 April 1 - 30, 2026

Attention: Mr. John Marez, Executive Director

PROJECT: OnCall Services TWDB DWSRF Preliminary Feasibility Report

DESCRIPTION	QTY	Rate	CURRENT AMOUNT DUE	REMAINING BALANCE
PROFESSIONAL SERVICES BREAKDOWN				
Ivan Luna		\$ 178.00	\$ -	
Sergio Luna	4.00	\$ 146.00	\$ 584.00	
Ansar Palakkal / Ricardo Torres/ Mohammad A. / Daniel G. / Moayad K.	4.00	\$ 146.00	\$ 584.00	
	46.50	\$ 123.00	\$ 5,719.50	
		\$ 104.00	\$ -	
		\$ 115.00	\$ -	
		\$ 147.00	\$ -	
		\$ 107.00		
		\$ 120.00		
		\$ 98.00		
		\$ 78.00		
		\$ 72.00		
		\$ 119.00		
		\$ 175.00		
		\$ 235.00		
		\$ 149.00		
		\$ 750.00		
		\$ 500.00		
		\$ 81.00		
		\$ 114.00		
		\$ 52.00		
ADDITIONAL SERVICES				
			\$ -	\$ -
			\$ -	\$ -
TOTAL				
TOTAL DUE			\$6,887.50	

Please remit to:
 International Consulting Engineers
 261 Saratoga Blvd
 Corpus Christi, TX 78417

First name	Last name	Date	Day	In	Out	Hours	Customer
Azayzeh							
Mohammad	Azayzeh	04/27/2026	Mon			8.00	South Texas Water Authority > 22116-03 STWA On-Call Services > STWA 2026 TWDB-DWSRF > Preliminary Engineering Feasibility Repor
NOTES: working on the RFI tasks (2,4,5,6,7)							
Mohammad	Azayzeh	04/28/2026	Tue			8.00	South Texas Water Authority > 22116-03 STWA On-Call Services > STWA 2026 TWDB-DWSRF > Preliminary Engineering Feasibility Repor
NOTES: working on the RFI tasks (2,4,5,6,7)							
Mohammad	Azayzeh	04/29/2026	Wed			6.00	South Texas Water Authority > 22116-03 STWA On-Call Services > STWA 2026 TWDB-DWSRF > Preliminary Engineering Feasibility Repor
NOTES: working on the RFI tasks (2,4,5,6,7)							
Mohammad	Azayzeh	04/30/2026	Thu			8.00	South Texas Water Authority > 22116-03 STWA On-Call Services > STWA 2026 TWDB-DWSRF > Preliminary Engineering Feasibility Repor
NOTES: working on the RFI tasks (2,4,5,6,7)							
Luna							
Ivan	Luna	04/22/2026	Wed			1.00	South Texas Water Authority > 22116-03 STWA On-Call Services > STWA 2026 TWDB-DWSRF > Preliminary Engineering Feasibility Repor
NOTES: =Planning Phase== 1. Reviewing current deliverables. 2. Reviewing Project Execution Plan a) Tasks b) Deadlines 3. Coordinating with internal ICE Team. 4. Monitoring Communications.							

Ivan	Luna	04/23/2026	Thu			1.00	South Texas Water Authority > 22116-03 STWA On-Call Services > STWA 2026 TWDB-DWSRF > Preliminary Engineering Feasibility Repor
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NOTES: =Planning Phase== 1. Reviewing current deliverables. 2. Reviewing Project Execution Plan a) Tasks b) Deadlines 3. Coordinating with internal ICE Team. 4. Monitoring Communications.

Sergio	Luna	04/23/2026	Thu			2.00	South Texas Water Authority > 22116-03 STWA On-Call Services > STWA 2026 TWDB-DWSRF > Preliminary Engineering Feasibility Repor
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NOTES: Teams meeting with Team to go over assigned tasks

Ivan	Luna	04/24/2026	Fri			2.00	South Texas Water Authority > 22116-03 STWA On-Call Services > STWA 2026 TWDB-DWSRF > Preliminary Engineering Feasibility Repor
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NOTES: =Planning Phase== 1. Reviewing current deliverables. 2. Reviewing Project Execution Plan a) Tasks b) Deadlines 3. Coordinating with internal ICE Team. 4. Monitoring Communications.

Sergio	Luna	04/24/2026	Fri			2.00	South Texas Water Authority > 22116-03 STWA On-Call Services > STWA 2026 TWDB-DWSRF > Preliminary Engineering Feasibility Repor
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NOTES: Discussion in ICE conference room of pending tasks

Palakkal

Mohamed Ansar	Palakkal	04/17/2026	Fri	11:00am	2:00pm	3.00	South Texas Water Authority > 22116-03 STWA On-Call Services > STWA 2026 TWDB-DWSRF > Preliminary Engineering Feasibility Repor
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NOTES: FMT Annual Assessment - In person Meeting at STWA office. * Technical questions answer support.

Mohamed Ansar	Palakkal	04/23/2026	Thu	3:00pm	5:30pm	2.50	South Texas Water Authority > 22116-03 STWA On-Call Services > STWA 2026 TWDB-DWSRF > Preliminary Engineering Feasibility Repor
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NOTES: South Texas Water Authority (DWSRF#63127) - Engineering Review Comments * RFI review and coordination with ICE Internal team * Coordination with STWA staff * Phone call with WFX.

Mohamed Ansar	Palakkal	04/25/2026	Sat	10:30am	4:30pm	6.00	South Texas Water Authority > 22116-03 STWA On-Call Services > STWA 2026 TWDB-DWSRF > Preliminary Engineering Feasibility Repor
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NOTES: South Texas Water Authority (DWSRF#63127) - Engineering Review Comments * Drafting RFI Checklist * Adjusting cost estimate * ICE Internal coordination for review comments, final discussion.

Torres

Ricardo	Torres	04/23/2026	Thu	1:00pm	3:00pm	2.00	South Texas Water Authority > 22116-03 STWA On-Call Services > STWA 2026 TWDB-DWSRF > Preliminary Engineering Feasibility Repor
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NOTES: Meeting - Division of work for RFI

Ricardo	Torres	04/24/2026	Fri	3:00pm	6:00pm	3.00	South Texas Water Authority > 22116-03 STWA On-Call Services > STWA 2026 TWDB-DWSRF > Preliminary Engineering Feasibility Repor
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NOTES: TWDB RFI work

International Consulting Engineers

Invoice

261 Saratoga Blvd.
Corpus Christi, TX 78417

Date	Invoice #
5/27/2026	3897

Bill To
South Texas Water Authority 111 E. Sage Rd. Kingsville, TX 78363

P.O. No.	Terms	Project
		24116-05N TWDB ...

Item	Description	Est Amt	Prior A...	Prior %	Qty	Rate	Curr %	Total %	Prior Qty	Amount	
	Nueces WSC Commitment #L1001912 Period of Performance: March 31, 2026 - April 30, 2026										
	Scope of Work Basic Engineering Fees										
Engine...	Planning	37698.00	37698.00	100.00%	0	37,698.00	0.00%	100.00%		0.00	
Engine...	Design	150793.00	90475.80	60.00%	0.05	150793.00	5.00%	65.00%	0.6	7,539.65	
	Special Services										
Engine...	Environmental	2,500.00			0	2,500.00	0.00%	0.00%	0	0.00	
Engine...	Surveying	37698.00	37698.00	100.00%	0	37,698.00	0.00%	100.00%		0.00	
Engine...	Permits	18849.00	4,712.25	25.00%	0.05	18,849.00	5.00%	30.00%	0.25	942.45	
Engine...	Inspection	30000.00			0	30,000.00	0.00%	0.00%	0	0.00	
Engine...	Project Management	37698.00	20733.90	55.00%	0.05	37,698.00	5.00%	60.00%	0.55	1,884.90	
						Total					\$10,367.00
						Payments/Credits					\$0.00
						Balance Due					\$10,367.00

04/30/2026



**TWDB – DRINKING WATER STATE REVOLVING FUND
PROJECT PROGRESS REPORT**

PROJECT # 63025

STWA- FIVE PUMP STATION IMPROVEMENTS
NUECES WATER SUPPLY CORPORATION

IVAN G. LUNA
INTERNATIONAL CONSULTING ENGINEERS

TWDB Drinking Water State Revolving Fund Progress Report
South Texas Water Authority, Kleberg County Texas
Project no. 63025 Pump Station Improvements Project.

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Task 1: Project Planning (Total 100% completion) -----	3
Task 2: Surveying (Total 100% Completion)-----	3
Task 3: Design (Total 65%) -----	3
Task 4: Project Management (Total 60%)-----	3
Task 5: Inspection (Total 0%) -----	4
Task 6: Permits (Total 30%) -----	4
Task 7: Environmental (Total 0%)-----	4
SECTION 4 - TABULATED PERCENT COMPLETION -----	5
SECTION 5 - SPECIAL SERVICES-----	5
Task 1: O&M Manual (Total 0%) -----	5

TWDB Drinking Water State Revolving Fund Progress Report
South Texas Water Authority, Kleberg County Texas
Project no. 63025 Pump Station Improvements Project.

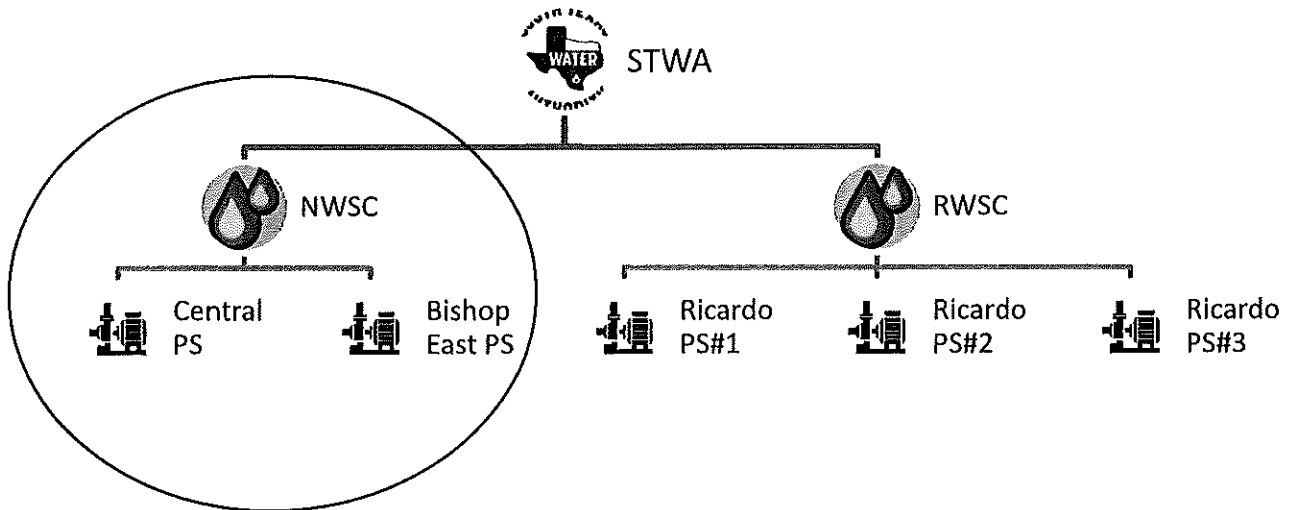
SECTION1- PROJECT PROGRESS REPORT DESCRIPTION

- Date: April 30, 2026
- To: John Marez, Executive Director
- From: Ivan G. Luna, Project Manager
- Subject: TWDB Project# 63025 Progress Report for Reporting Period 03/31/26 – 04/30/26 - NWSC

SECTION 2 - PROJECT OVERVIEW

The South Texas Water Authority (STWA) is experiencing steady population growth and attracting major economic development, with several large companies considering the region for significant industrial and manufacturing facilities - most notably, Tesla has already contracted with STWA for water utility services. In anticipation of this growth, STWA has been addressing longstanding TCEQ violations and aging infrastructure, particularly pump stations that are over 40 years old. With support from ICE and WFX, STWA successfully secured \$7,737,207.00 in funding through the Texas Water Development Board’s Drinking Water State Revolving Fund (DWSRF) in October 2024. This funding will support improvements to five key pump stations - Central, Bishop East, and Ricardo Pump Stations #1, #2, and #3 - which were prioritized based on the 2023 STWA Master Plan.

The project has been divided into two different entities based on the region of service, shown detailed below. This progress report only focusses on the three pump stations at Nueces County (Central, Bishop East Pump Stations)

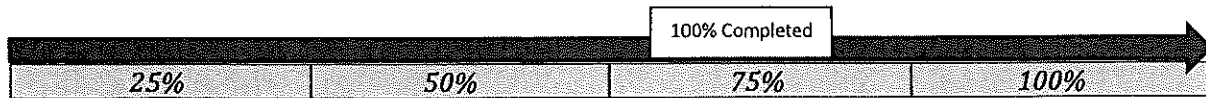


TWDB Drinking Water State Revolving Fund Progress Report
 South Texas Water Authority, Kleberg County Texas
 Project no. 63025 Pump Station Improvements Project.

SECTION 3 – WORK COMPLETED THIS PERIOD

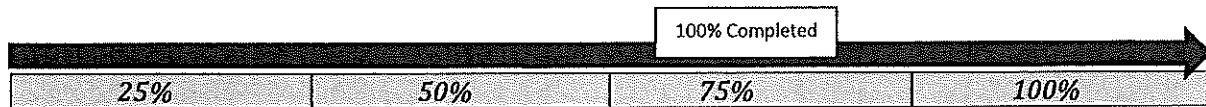
Task 1: Project Planning (Total 100% completion)

- ICE
 - Planning task has already been completed.
 - EFR Approval letter has been received from TWDB on 01/06/2026.



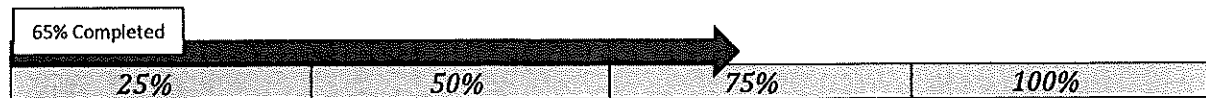
Task 2: Surveying (Total 100% Completion)

- ICE
 - Survey task has already been completed



Task 3: Design (Total 65%)

- During this period the work completed is 5% with a total of 65% in the design phase.
- Coordinated with NEC for the electrical upgrades at the pump stations.
- Electrical drawings 90% completed
- Mechanical piping drawings at 90% completion.
- 90% drawings review set on progress for the STWA/NWSC review.

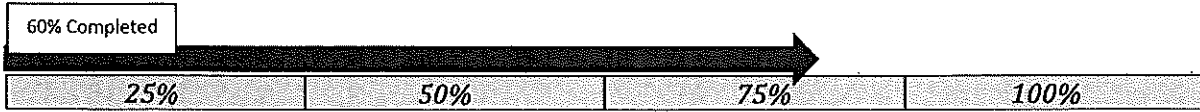


Task 4: Project Management (Total 60%)

- ICE
 - During this period the work completed is 5% with a total completion of 60% in the project Management section.
 - Mechanical and Electrical drawings development discussion and finalization of plans with draft team.
 - Coordination with TWDB, TCEQ, and subconsultants for MEP
 - Continued coordination with internal structural team for construction design.

TWDB Drinking Water State Revolving Fund Progress Report
 South Texas Water Authority, Kleberg County Texas
 Project no. 63025 Pump Station Improvements Project.

- Project schedule discussion updates and review with STWA.



Task 5: Inspection (Total 0%)

- ICE
 - Construction engineering tasks (Inspections) have not started. No work to be reported this period



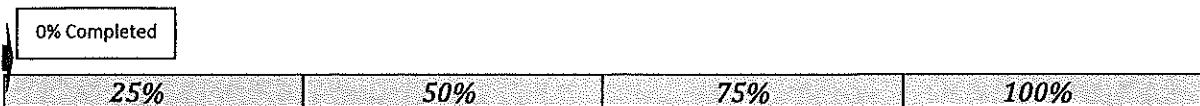
Task 6: Permits (Total 30%)

- ICE
 - During this period the work completed is 5% with a total completion of 30%.
 - Draft Engineering specification report 60% completed for the TCEQ plans and spec submission.
 - Continued coordination with TCEQ P&S review team for the upcoming submission.



Task 7: Environmental (Total 0%)

- ICE
 - Qualified for Categorical Exclusion, Environmental review not required.



Special Notes

- Schedule Slippage: No schedule slippage

TWDB Drinking Water State Revolving Fund Progress Report
 South Texas Water Authority, Kleberg County Texas
 Project no. 63025 Pump Station Improvements Project.

- Slippages Cost Overruns: No cost overruns.

SECTION 4 - TABULATED PERCENT COMPLETION

The table below illustrates the percentage completion of each engineering task during the billing period and the total % completion (Invoice reference # LF1001912)

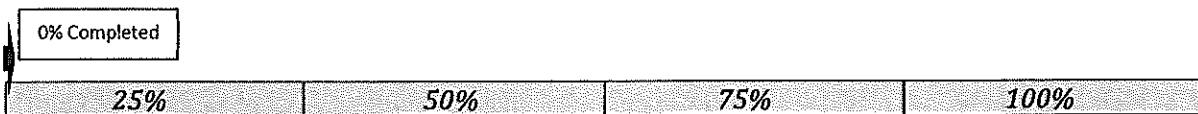
Item	Description	% Completion Billing Period	Total % Completion
Engineering	Planning	0%	100%
Engineering	Surveying	0%	100%
Engineering	Design	5%	65%
Engineering	Project Management	5%	60%
Engineering	Permits	5%	30%
Engineering	Inspection	0%	0%
Engineering	Environmental	0%	0%

Table 1: Percentage of completion engineering tasks, Billing period 03/31/2026 - 04/30/2026.

SECTION 5 - SPECIAL SERVICES

Task 1: O&M Manual (Total 0%)

- ICE
 - O&M manual development has not started. No work to be reported this period.



The table below illustrates the percentage completion of special service task during the billing period and the total % completion. (Invoice reference # L1001910)

Item	Description	% Completion Billing Period	Total % Completion
Special Services	O&M Manual	0%	0%

Table 2: Percentage of completion of special service tasks, Billing period 03/31/2026 - 04/30/2026.

TWDB Drinking Water State Revolving Fund Progress Report
South Texas Water Authority, Kleberg County Texas
Project no. 63025 Pump Station Improvements Project.

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International Consulting Engineers

Invoice

261 Saratoga Blvd.
Corpus Christi, TX 78417

Date	Invoice #
5/27/2026	3898

Bill To
South Texas Water Authority 111 E. Sage Rd. Kingsville, TX 78363

P.O. No.	Terms	Project
		24116-05R TWDB ...

Item	Description	Est Amt	Prior A...	Prior %	Qty	Rate	Curr %	Total %	Prior Qty	Amount
	Ricardo WSC Commitment #L1001913 Period of Performance: March 31, 2026 - April 30, 2026									
	Scope of Work Basic Engineering Fees									
Engine...	Planning	66908.00	66908.00	100.00%	0	66,908.00	0.00%	100.00%		0.00
Engine...	Design	267631.00	160578.60	60.00%	0.05	267631.00	5.00%	65.00%	0.6	13381.55
	Special Services									
Engine...	Environmental	2,500.00			0	2,500.00	0.00%	0.00%	0	0.00
Engine...	Surveying	66908.00	66908.00	100.00%	0	66,908.00	0.00%	100.00%		0.00
Engine...	Permits	33454.00	8,363.50	25.00%	0.05	33,454.00	5.00%	30.00%	0.25	1,672.70
Engine...	Inspection	30000.00			0	30,000.00	0.00%	0.00%	0	0.00
Engine...	Project Management	66908.00	36799.40	55.00%	0.05	66,908.00	5.00%	60.00%	0.55	3,345.40

Total	\$18,399.65
Payments/Credits	\$0.00
Balance Due	\$18,399.65

04/30/2026



**TWDB – DRINKING WATER STATE REVOLVING FUND
PROJECT PROGRESS REPORT**

PROJECT # 63025

STWA- FIVE PUMP STATION IMPROVEMENTS
RICARDO WATER SUPPLY CORPORATION

IVAN G. LUNA
INTERNATIONAL CONSULTING ENGINEERS

TWDB Drinking Water State Revolving Fund Progress Report
South Texas Water Authority, Kleberg County Texas
Project no. 63025 Pump Station Improvements Project.

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Task 4: Project Management (Total 60%)-----	3
Task 5: Inspection (Total 0%) -----	4
Task 6: Permits (Total 30%) -----	4
Task 7: Environmental (Total 0%)-----	4
SECTION 4 - TABULATED PERCENT COMPLETION - ENGINEERING -----	5
SECTION 5 - SPECIAL SERVICES-----	5
Task 1: O&M Manual (Total 0%) -----	5

TWDB Drinking Water State Revolving Fund Progress Report
South Texas Water Authority, Kleberg County Texas
Project no. 63025 Pump Station Improvements Project.

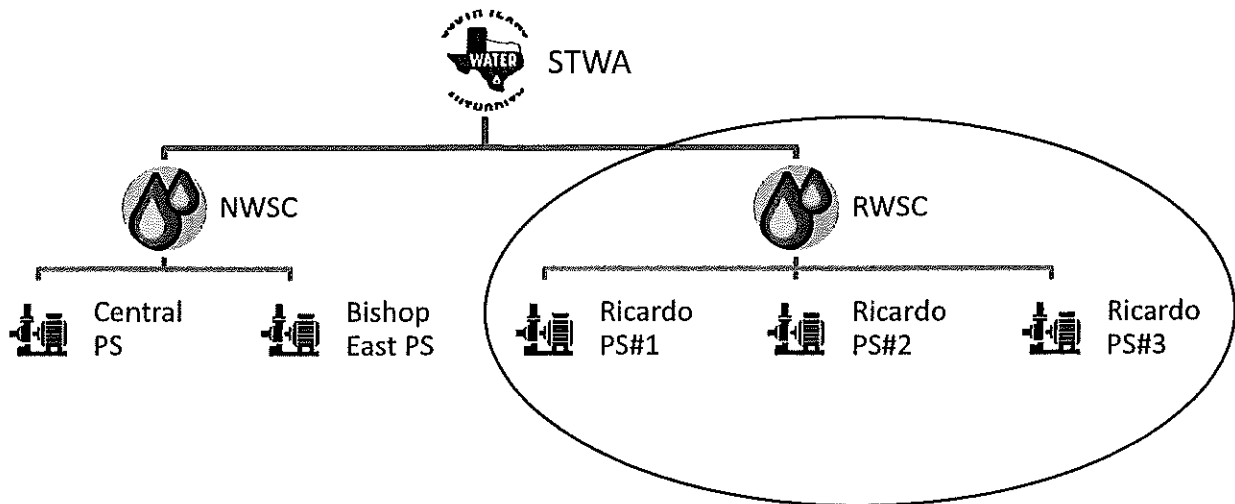
SECTION1 -PROJECT PROGRESS REPORT DESCRIPTION

- Date: April 30, 2026
- To: John Marez, General Manager
- From: Ivan G. Luna, Project Manager
- Subject: TWDB Project# 63025 Progress Report for Reporting Period 03/31/26 – 04/30/26 - RWSC

SECTION 2 - PROJECT OVERVIEW

The South Texas Water Authority (STWA) is experiencing steady population growth and attracting major economic development, with several large companies considering the region for significant industrial and manufacturing facilities - most notably, Tesla has already contracted with STWA for water utility services. In anticipation of this growth, STWA has been addressing longstanding TCEQ violations and aging infrastructure, particularly pump stations that are over 40 years old. With support from ICE and WFX, STWA successfully secured \$7,737,207.00 in funding through the Texas Water Development Board’s Drinking Water State Revolving Fund (DWSRF) in October 2024. This funding will support improvements to five key pump stations - Central, Bishop East, and Ricardo Pump Stations #1, #2, and #3 - which were prioritized based on the 2023 STWA Master Plan.

The project has been divided into two different entities based on the region of service, shown detailed below. This progress report only focusses on the three pump stations at Ricardo (Ricardo Pump Stations #1, #2, and #3)

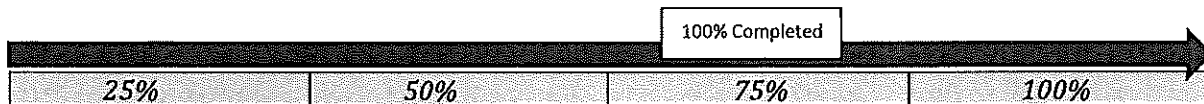


TWDB Drinking Water State Revolving Fund Progress Report
 South Texas Water Authority, Kleberg County Texas
 Project no. 63025 Pump Station Improvements Project.

SECTION 3 – WORK COMPLETED THIS PERIOD

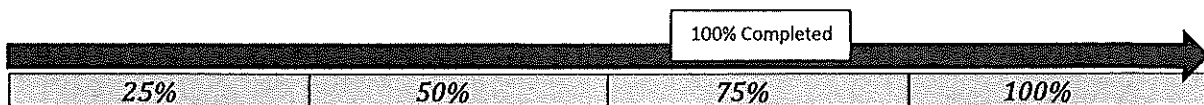
Task 1: Project Planning (Total 100% completion)

- ICE
 - Planning task has already been completed.
 - EFR Approval letter has been received from TWDB on 01/06/2026.



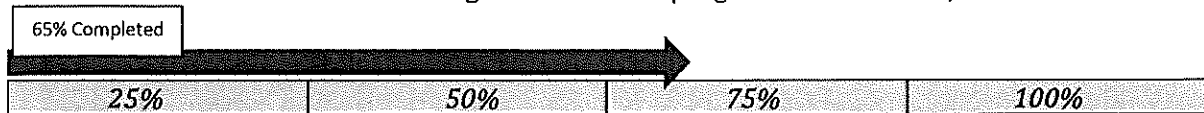
Task 2: Surveying (100% Completion)

- ICE
 - Survey task has already been completed



Task 3: Design (Total 65%)

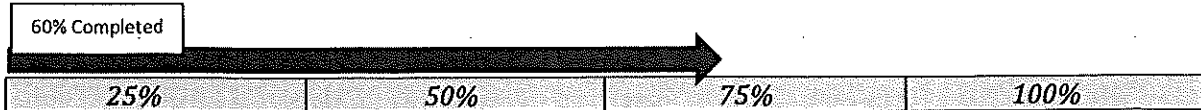
- ICE
 - During this period the work completed is 5% with a total of 65% in the design phase.
 - Electrical drawings at 90% completion
 - Mechanical piping drawings at 90% completion.
 - 90% drawings review set on progress for the STWA/RWSC review.



Task 4: Project Management (Total 60%)

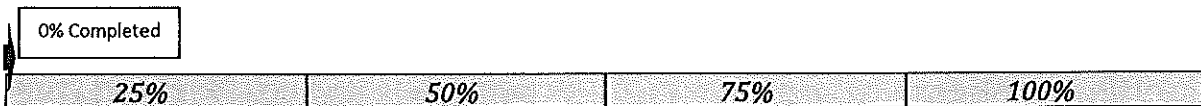
- ICE
 - During this period the work completed is 5% with a total completion of 60% in the project Management section.
 - Mechanical and Electrical drawings development discussion and finalization of plans with draft team.
 - Coordination with TWDB, TCEQ, and subconsultants for MEP
 - Continued coordination with internal structural team for construction design.
 - Project schedule discussion updates and review with STWA.

TWDB Drinking Water State Revolving Fund Progress Report
 South Texas Water Authority, Kleberg County Texas
 Project no. 63025 Pump Station Improvements Project.



Task 5: Inspection (Total 0%)

- ICE
 - Construction engineering tasks (Inspections) have not started. No work to be reported this period



Task 6: Permits (Total 30%)

- ICE
 - During this period the work completed is 5% with a total completion of 30%.
 - Draft Engineering specification report 60% completed for the TCEQ plans and spec submission.
 - Met with TCEQ Plans & Spec review team for the final submission requirements.
 - Continued coordination with TCEQ P&S review team for the upcoming submission.



Task 7: Environmental (Total 0%)

- ICE
 - Qualified for Categorical Exclusion, Environmental review not required



TWDB Drinking Water State Revolving Fund Progress Report
 South Texas Water Authority, Kleberg County Texas
 Project no. 63025 Pump Station Improvements Project.

Special Notes

- Schedule Slippage: No schedule slippage
- Slippages Cost Overruns: No cost overruns.

SECTION 4 - TABULATED PERCENT COMPLETION - ENGINEERING

The table below illustrates the percentage completion of each engineering task during the billing period and the total % completion. (Invoice reference # LF1001913)

Item	Description	% Completion Billing Period	Total % Completion
Engineering	Planning	0%	100%
Engineering	Surveying	0%	100%
Engineering	Design	5%	65%
Engineering	Project Management	5%	60%
Engineering	Permits	5%	30%
Engineering	Inspection	0%	0%
Engineering	Environmental	0%	0%

Table 1: Percentage of completion of engineering tasks, Billing period 03/31/2026 - 04/30/2026.

SECTION 5 - SPECIAL SERVICES

Task 1: O&M Manual (Total 0%)

- ICE
 - O&M manual development has not started. No work to be reported this period



The table below illustrates the percentage completion of special service task during the billing period and the total % completion. (Invoice reference # L1001911)

Item	Description	% Completion Billing Period	Total % Completion
Special Services	O&M Manual	0%	0%

Table 2: Percentage of completion of special service tasks, Billing period 03/31/2026 - 04/30/2026

TWDB Drinking Water State Revolving Fund Progress Report
South Texas Water Authority, Kleberg County Texas
Project no. 63025 Pump Station Improvements Project.

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ATTACHMENT 3

O&M Report

Memorandum

To: South Texas Water Authority Board of Directors and John Marez, Administrator
From: Patrick Sendejo, O&M Manager / Victor Gutierrez, Field Supervisor
Date: June 2nd 2026
Re: O&M Technical Report

During the Week of May 4th 2026:

Admin:

- Review GPS records
- City Gallons Report
- Update Daily Water Loss
- Water Operator Training/Locate Training/CSI Training/Standard Operation Procedure Training/Cathodic Protection Training.

Operations:

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

Safety & Maintenance:

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

Cathodic Protection:

- Weekly Monitoring of Rectifiers
- Assist with GIS system updates for 42” line and the Corporations
- Continue to assist with locates for STWA, NWSC, RWSC
- Updating Diamond Maps to assist with correcting water line locations for all corporations.
- Assist with the Lead and Copper Inventory for TCEQ.

During the Week of May 11th 2026:

Admin:

Review GPS records
Update Daily Water Loss
Water Operator Training/Locate Training/CSI Training/Standard Operation
Procedure Training/Cathodic Protection Training.

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor Residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC
Meter Run @ Office
NWSC/ RWSC Meter Readings
Weekly CL 17 Verification.
Locates – STWA, RWSC, NWSC
Completed service orders for NWSC and RWSC
Completed Taps – (2)
Leaks Repaired– (0)

Safety & Maintenance:

Safety Meeting:

**(Open crew discussion of safety concerns, Crew discussions on all aspects of
preventative maintenance, which includes time for any Q&A.) (JSA
preventative hazard safety meeting to address any potential hazard.)**

Generators – Exercise Transfer Switch
Weekly Preventative Maintenance – Heavy Equipment, Lawn care equipment,
Leak equipment, Pump-station equipment, Tap equipment.
Daily Vehicle Maintenance Report - Interior, Exterior & Under the Hood
Inspections

Cathodic Protection:

Weekly Monitoring of Rectifiers
Assist with GIS system updates for 42” line and the Corporations
Continue to assist with locates for STWA, NWSC, RWSC
Updating Diamond Maps to assist with correcting water line locations for all
corporations.
Assist with the Lead and Copper Inventory for TCEQ.

During the Week of May 18th 2026:

Admin:

Review GPS records
Update Daily Water Loss
Water Operator Training/Locate Training/CSI Training/Standard Operation
Procedure Training/Cathodic Protection Training.

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor Residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC
Meter Run @ Office
Weekly CL 17 Verification.
Locates – STWA, RWSC, NWSC
Flushing – RWSC, NWSC
Bacteriological Samples STWA, NWSC, RWSC
Completed service orders for NWSC and RWSC
Completed Taps – (1)
Leaks Repaired – (2)

Safety & Maintenance:

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

Cathodic Protection:

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

During the Week of May 25th 2026:

Admin:

Review GPS records
Update Daily Water Loss
Schedule Interviews
Water Operator Training/Locate Training/CSI Training/Standard Operation Procedure Training/Cathodic Protection Training.

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor Residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC Meter Run @ Office
Weekly CL 17 Verification.
Locates – STWA, RWSC, NWSC
Flushing – RWSC, NWSC
Completed service orders for NWSC and RWSC
Completed Taps – (0)
Leaks Repaired – (2)

Safety & Maintenance:

Safety Meeting:
(Open crew discussion of safety concerns, Crew discussions on all aspects of preventative maintenance, which includes time for any Q&A.) (JSA preventative hazard safety meeting to address any potential hazard.) “Trenching and Excavation Safety Training” Video. 15min
Generators – Exercise Transfer Switch
Weekly Preventative Maintenance – Heavy Equipment, Lawn care equipment, Leak equipment, Pump-station equipment, Tap equipment.
Daily Vehicle Maintenance Report - Interior, Exterior & Under the Hood Inspections

Cathodic Protection:

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

During the Week of June 1st 2026:

Admin:

Review GPS records
Update Daily Water Loss
Schedule Interviews
City Gallons Report
Water Operator Training/Locate Training/CSI Training/Standard Operation Procedure Training/Cathodic Protection Training.

Operations:

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

Safety & Maintenance:

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

Cathodic Protection:

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

Current Projects:

- Continue to revise GIS Digital maps to improve coordinates of water lines, meter locations, valves, and dead-end mains.
- Working on improvements of SCADA system for quick response time for alerts to address issues before they occur. Pursuing new cellular comms currently using radio comms which is unstable. Update as of 6/1/2026 devices are pending final review from programmer and will ship once complete. No ETA as of yet.
- Working on a Field Guide with SOP procedures for field staff in training to have a checklist to help guide them during an emergency situation. (partial complete as of 6/1/2026).

Field Staff:

- Three Field Technician vacancies have been opened for hiring and several applications have been received.
- Scheduling interviews week of June 1st and June 8th 2026.
- Zack Elliott – Working with Work Force to apply for Class A CDL Course.
- David Sendejo – Requesting Board approval to change position from CP Assistant to Field Tech.
- Santiago Mayorga – Scheduled C Distribution course week of 8/3/2026
- Austin Riviera – Scheduled Basic water course week of 6/1/2026
- Patrick Sendejo – Scheduled online Utility Safety course required by TCEQ to obtain a Class B Distribution license for O&M Manager.
- Victor Gutierrez – Scheduling B License Distribution test, pending for preparation.
- Field staff have been catching up on service taps, although utilizing local contractors to assist with extensions for now.

Pump Stations:

- Additional booster is needed at CR 4 between Bishop and Kingsville to help maintain residual south into RWSC. Working with ICE on this for resolution. Update will be included in master plan. (Replacement booster pump was delivered 5/26/2026 for install at Driscoll before or by 6/1/2026.)
- Working on installing two (2) new pumps in Agua Dulce. Update: working with Turbo Machinery to schedule alignment of pumps and fabrication of plumbing scheduled for week 5/25/2026.
- Ongoing pressure/volume loss issues feeding Pump Station 3 GST in Ricardo. – Temporary resolution isolate Pump Station 3 until response from ON Stevens. No new updates.
- Replacements of CL17 Analyzer installed by Moody Bros 2 installs pending due to rehab of RWSC Pump Stations 1 and 2. These are to monitor Total Chloramines through SCADA.
- Bishop East Pump Station motor operating valve (MOV) malfunctioned for GST fill. Manually operating MOV to fill GST. Update currently looking for a replacement with Ferguson. MOV currently back in auto operation temporarily until replacement is complete.
- Central Chloramines booster inactive after tank collapse that maintains residuals north east to four pump stations – NWSC Banquete, Banquete, Sablatura Park, and Agua Dulce. Residual at Central Pump Station starting to drop out and adjustments need to be made. O&M personnel are currently putting these chloramine boosters at these pump stations back online until replacement is complete. Update pending rehab of Central Pump Station.

CP Report:

The CP assistant David Sendejo has been maintaining rectifiers, locates, data collection on 42” pipeline, working valves and maintaining easement. Also assist with lead and copper service line inventory and building pipe racks for valves farmers run over and flush valves in or near farm fields. Victor Gutierrez will be trained in Cathodic Protection by O&M or any local CP training events to prepare for David Sendejo departure.

ATTACHMENT 4

Resolutions 26-07 through 26-10

SOUTH TEXAS WATER AUTHORITY

RESOLUTION 26-07

A RESOLUTION APPOINTING FRANCES DE LEON, ASSISTANT EXECUTIVE DIRECTOR, TO SERVE AS CHIEF TAX ASSESSOR FOR THE SOUTH TEXAS WATER AUTHORITY.

WHEREAS, the South Texas Water Authority is a taxing jurisdiction within Nueces and Kleberg Counties, and

WHEREAS, a tax assessor is required to meet the statutory requirements of the State of Texas, and

WHEREAS, Frances De Leon is qualified and duly registered as a tax assessor with the State of Texas to perform this function for the Authority.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the South Texas Water Authority appoints Frances De Leon, Assistant Executive Director, as Chief Tax Assessor for the Authority.

Duly adopted this 2nd day of June, 2026.

JOSE M. GRAVELEY, PRESIDENT

ATTEST:

IMELDA GARZA, SECRETARY/TREASURER

SOUTH TEXAS WATER AUTHORITY

RESOLUTION 26-08

RESOLUTION APPOINTING KEVIN KIESCHNICK, NUECES COUNTY TAX ASSESSOR/COLLECTOR, TO BE THE SOUTH TEXAS WATER AUTHORITY'S TAX COLLECTOR IN NUECES COUNTY.

WHEREAS, the South Texas Water Authority is a taxing entity within Nueces County,
and

WHEREAS, a tax collector is required to collect taxes levied by the South Texas Water Authority, and

WHEREAS, the Nueces County Tax Assessor/Collector's Office is qualified to perform this function for the Authority, and

WHEREAS, the Nueces County Tax Assessor/Collector's Office has performed this task for the past years and has provided satisfactory service.

NOW, THEREFORE, BE IT RESOLVED, that Kevin Kieschnick and his representatives of the Nueces County Tax Assessor/Collector's Office are appointed to be the Authority's Tax Collector in Nueces County.

Duly adopted this 2nd day of June, 2026.

JOSE M. GRAVELEY, PRESIDENT

ATTEST:

IMELDA GARZA, SECRETARY/TREASURER

SOUTH TEXAS WATER AUTHORITY

RESOLUTION 26-09

RESOLUTION APPOINTING MARIA VICTORIA VALADEZ, KLEBERG COUNTY TAX ASSESSOR/COLLECTOR, TO BE THE SOUTH TEXAS WATER AUTHORITY'S TAX COLLECTOR IN KLEBERG COUNTY.

WHEREAS, the South Texas Water Authority is a taxing entity within Kleberg County,
and

WHEREAS, a tax collector is required to collect taxes levied by the South Texas Water Authority, and

WHEREAS, the Kleberg County Tax Assessor/Collector's Office is qualified to perform this function for the Authority, and

WHEREAS, the Kleberg County Tax Assessor/Collector's Office has performed this task for the past years and has provided satisfactory service.

NOW, THEREFORE, BE IT RESOLVED, that Maria Victoria Valadez and her representatives of the Kleberg County Tax Assessor/Collector's Office are appointed to be the Authority's Tax Collector in Kleberg County.

Duly adopted this 2nd day of June, 2026.

JOSE M. GRAVELEY, PRESIDENT

ATTEST:

IMELDA GARZA, SECRETARY/TREASURER

SOUTH TEXAS WATER AUTHORITY

Resolution 26-10

A RESOLUTION ESTABLISHING TAX EXEMPTIONS FOR RESIDENCE HOMESTEADS, FOR PROPERTY OWNERS WHO ARE 65 YEARS OF AGE OR OLDER, FOR PERSONS WHO ARE DISABLED, AND FOR DISABLED VETERANS.

WHEREAS, the South Texas Water Authority (the "Authority") is a taxing jurisdiction within Kleberg and Nueces Counties, and

WHEREAS, the Board of Directors of the Authority wants to allow tax exemptions for residential homesteads, for property owners who are 65 years of age or older, for persons who are disabled, and for disabled veterans.

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

1. Individuals are entitled to an exemption from taxation by the Authority of 1% of the appraised value of their residence homesteads, or \$5,000 of the appraised value of their residence homesteads, whichever is greater.
2. Individuals who are disabled or who are 65 years of age or older are entitled to an exemption from taxation by the Authority of \$12,000 of the appraised value of their residence homesteads.
3. Disabled veterans are entitled to the exemptions from taxation allowed by Section 11.22, Property Code.

Duly adopted this 2nd day of June, 2026.

JOSE M. GRAVELEY, PRESIDENT

ATTEST:

IMELDA GARZA, SECRETARY/TREASURER

ATTACHMENT 5

Transfer of CP Position to Field Technician

Memo

To: South Texas Water Authority, Board of Directors
From: John Marez, Executive Director
Date: May 28, 2026
Re: **Transfer Cathodic Protection Technician Position to Field Technician**

Background:

The South Texas Water Authority (STWA) previously authorized the transition of our first of two Cathodic Protection (CP) Technician position into a Field Technician position to better support operational and maintenance needs across the water system. Staff is requesting formal acknowledgment and implementation of this personnel transfer within the organizational structure.

As reflected in the updated organizational chart, the transferred position will align within the Field Technician structure under the Operations & Maintenance Department reporting framework.

Analysis:

The transfer of the Cathodic Protection Technician position to a Field Technician position will provide additional operational flexibility and improve daily field coverage for essential system activities. Under the updated organizational structure, the position will support field operations directly alongside existing Field Technicians under the supervision of the Field Foreman and Team Lead structure within the Operations & Maintenance Department.

The additional Field Technician position will assist with:

- Water sampling and testing requirements
- Heavy equipment operations
- Water line repairs and maintenance
- Construction and operational support activities

This adjustment aligns with the Board's prior direction to increase field operations capacity and better address systemwide maintenance and compliance demands. Staff believes this operational change will improve response capability, operational redundancy, and overall efficiency within the Operations & Maintenance Department. The O&M Department will still assign staff to handle any on-going CP job duties.

Fiscal Impact:

There is no fiscal impact associated with this action. The position transfer does not increase the current fiscal year 2025/26 budget.

Staff Recommendation:

Staff recommends approval of the transfer of the Cathodic Protection Technician position to a Field Technician position within the Operations & Maintenance Department, aligned under the Field Technician operational structure reflected in the updated organizational chart.

Board Action:

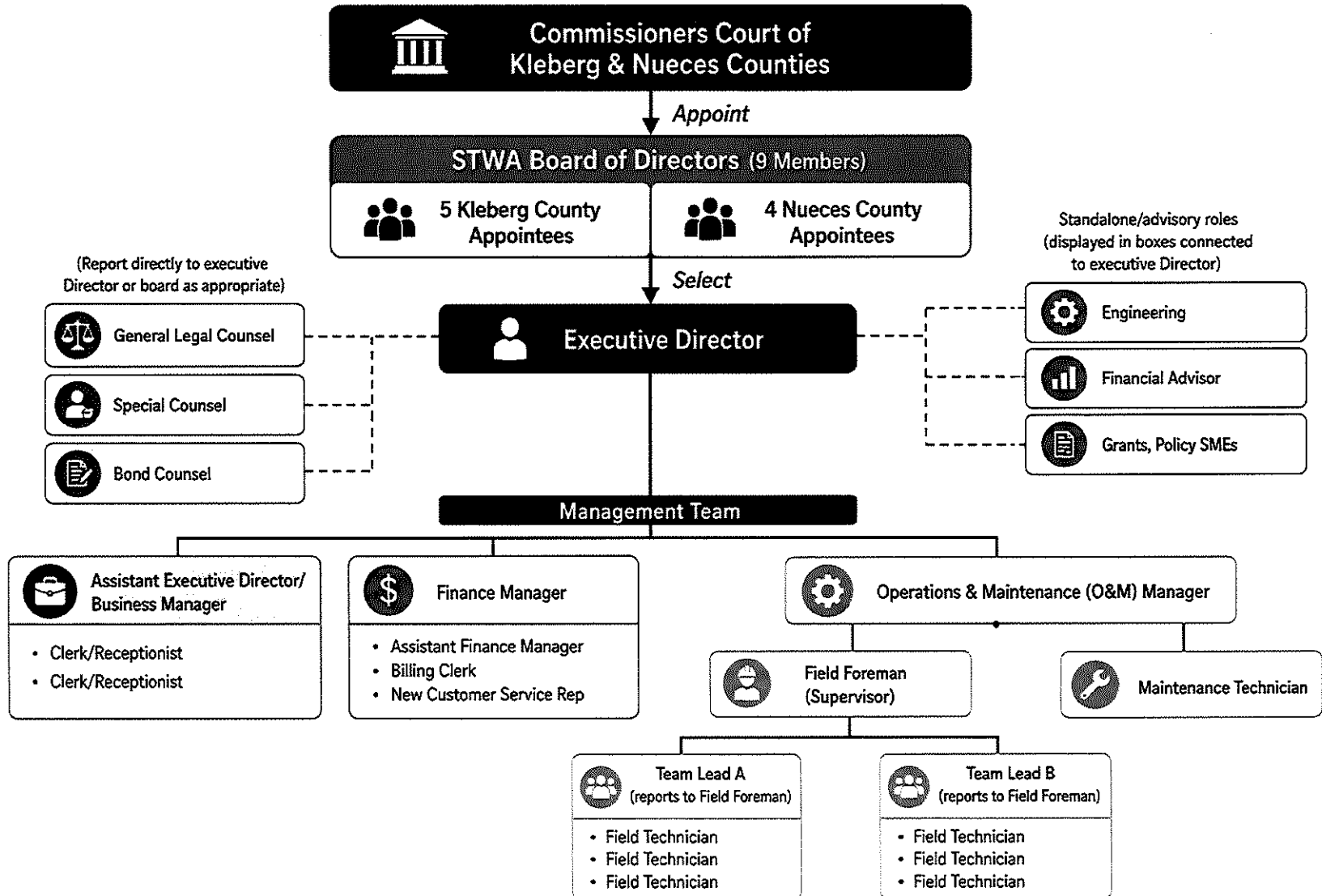
Consider and approve the transfer of the Cathodic Protection Technician position to a Field Technician position as presented.

Summary:

The proposed personnel transfer supports the Board's previous direction to strengthen field operations staffing and improve operational responsiveness throughout the STWA system. Aligning the position within the Field Technician operational structure will provide additional field support capabilities without increasing the Authority's current budget. CP job duties will still be carried out by the O&M Department.

South Texas Water Authority - Organizational Chart

(Updated Field Detail)



Job Description – Cathodic Protection Tech

FUNCTION/TASK:

- MAINTAIN CELL PHONE COMMUNICATION
- OPERATE VEHICLE INCLUDING HAUL TRUCK AND TRAILERS
- INSTALL ANODES AT JOINTS REQUIRING ANODES
- REPAIR/REPLACE/INSTALL TEST STATIONS
- LOCATE AND REPAIR DISCONTINUOUS BONDS
- OPERATE CONSTRUCTION EQUIPMENT
- DOCUMENT CP ACTIVITIES INCLUDING ALL INSTALLED ANODES
- MONITOR RECTIFIERS AND MAINTAIN ASSOCIATED RECORDS
- ACT AS LIASON W/CP CONSULTANTS & OTHER PIPELINE COMPANIES
- ACT AS LIASON W/PROPERTY OWNERS AND TENANTS
- RECORD INCLUDING PHOTOGRAPHING SIZE AND CONDITION OF
- AREAS AFFECTED BY CP ACTIVITIES
- PROVIDE LOGISTICAL SUPPORT TO OFFICE STAFF ON CROP AND/OR PROPERTY DAMAGES (DRIVEWAYS, ETC.)
- MAINTAIN CP INVENTORY INCLUDING:
- GATHERING NECESSARY BIDS
- ORDERING ANODES AND OTHER MATERIALS
- MAINTAINING RECORDS OF TOOLS/EQUIPMENT
- UTILIZE DM2 DEVICE TO CONDUCT GPS SURVEY OF 42" LINE, ANODES
- MAINTAIN GPS FILES OF LINE, ANODES, AND TEST STA. LOCATIONS
- REPLACE/REPAIR/INSTALL LINE MARKERS ON 42" LINE
- DURING COURSE OF ANODE INSTALLATION, REPAIR LEAKS
- ENSURE WORK CREW ADHERES TO SCHEDULE & SUPERVISE WORK
- REHABILITATE ARV METAL EQUIPMENT INCLUDING:
- ADDRESSING CORROSION OF VALVE AND RISER/ELBOW
- REPLACEMENT OF SCREEN
- CONSTRUCT AS NECESSARY BARRIERS TO PROTECT
 - TEST STATIONS
 - LINE MARKERS
 - AIR RELIEF VALVES
 - ISOLATION VALVES
- CELL PHONE COMMUNICATION - VEHICLE/TRAILER OPERATION
- INSTALL ANODES - TEST STATIONS - REPAIR BONDS
- OPERATE CONSTRUCTION EQUIPMENT
- CP RECORDS - RECTIFIER MONITORING AND RECORDS
- LIASON WITH PIPELINE COMPANIES, LANDOWNERS, ETC
- CP INVENTORY, BIDS, ORDER MATERIALS, RECORD OF TOOLS/EQUIP.
- DM2 DEVICE, GPS FILES, TEST STATION LOCATIONS, LINE MARKERS
- REPAIR LEAKS AT JOINTS
- ENSURE WORK CREW ADHERES TO SCHEDULE & SUPERVISE WORK
- ARV REHAB, SCREEN WORK, ARV AND ISOLATION VALVES
- MAINTAIN CONSISTENT DOCUMENTATION PRACTICES WHICH INCLUDE ENSURING ACCURACY AND COMPLIANCE WITH RELEVANT PROCEDURES/REGULATIONS BY REVIEWING, UPDATING, AND STORING IN A STRUCTURED SYSTEM

Reviewed April 2025

ATTACHMENT 6

Workforce Solutions

Memo

To: South Texas Water Authority, Board of Directors
From: John Marez, Executive Director
Date: May 28, 2026
Re: **Agreement with Workforce Solutions Coastal Bend**

Background:

The South Texas Water Authority (STWA) has historically utilized an internal hands-on training model for operational and field-based positions. As workforce development challenges continue across the utility industry, staff has explored opportunities to modernize and formalize training efforts through partnerships with regional workforce organizations.

Workforce Solutions Coastal Bend (WFSCB) has presented STWA with a Work Experience (WE) Worksite Agreement designed to provide structured workforce training opportunities while assisting employers with workforce development and recruitment efforts. The agreement establishes responsibilities between WFSCB and participating agencies for the placement, supervision, and training of workforce participants.

Analysis:

Under the proposed agreement, Workforce Solutions Coastal Bend would provide orientation, employer liaison support, workers' compensation coverage for participants, and wage subsidy assistance associated with approved work experience placements.

The agreement would allow STWA to incorporate a more formalized workforce development and training structure that could support a variety of operational, maintenance, and field-related positions in the future. This approach would supplement STWA's traditional workforce training methods by creating opportunities to recruit and train individuals entering the workforce with structured oversight and ready-to-work opportunities.

The agreement also provides flexibility for future workforce expansion needs while allowing STWA supervisors to continue overseeing day-to-day operational training and job performance requirements. Workforce Solutions Coastal Bend requires supervisor orientation, worksite compliance, and ongoing coordination throughout the training process.

Fiscal Impact:

Workforce Solutions Coastal Bend could potentially subsidize up to 50% of employee salary costs during the first twelve (12) weeks of employment for qualifying participants hired through the program. This

could provide STWA with cost savings associated with workforce recruitment and training while strengthening long-term workforce development efforts.

Staff Recommendation:

Staff recommends approval authorizing the Executive Director to execute the Workforce Solutions Coastal Bend Work Experience Worksite Agreement and related program documents necessary to participate in the workforce training program.

Board Action:

Consider and take possible action authorizing the Executive Director to execute the Workforce Solutions Coastal Bend Work Experience Worksite Agreement and related documents on behalf of the South Texas Water Authority.

Summary:

The proposed agreement with Workforce Solutions Coastal Bend provides STWA with an opportunity to modernize and formalize portions of its workforce training process while creating potential recruitment and salary subsidy benefits for operational and field-based positions. The partnership would support workforce readiness, strengthen future staffing development opportunities, and provide additional resources to assist STWA in addressing long-term workforce needs.

Reference Attachments: Workforce Solutions Coastal Bend Work Experience Worksite Agreement and Supervisor Agreement



WORK EXPERIENCE (WE) WORKSITE AGREEMENT

This agreement is entered into and between Workforce Solutions Coastal Bend (WFSCB) and the undersigned Work Site Business/Agency in connection with Work Experience. The purpose of this agreement is to provide a statement of responsibilities for each of the parties to this agreement.

Term and Termination

1. This Agreement shall begin on _____ and end on _____ unless terminated earlier by either of the parties, and shall renew automatically unless one of the parties delivers notice to the other 30 days prior to the renewal date that they wish to terminate the Agreement.
2. Either party may terminate this Agreement upon 90 days written notice for any reason or upon 10 days written notice and opportunity to cure for a material breach of this Agreement.

Workforce Solutions Coastal Bend (WFSCB)

1. Workforce Solutions Coastal Bend will provide a group or individual orientation to an assigned Worksite Supervisor and alternate supervisors, prior to the placement of a participant to a worksite. The orientation will include the objectives of the program, the required documentation for placement, supervisory responsibilities, participant responsibilities, record keeping and program regulations.
2. Workforce Solutions Coastal Bend will coordinate with the Business/Agency to determine how many work site slots the Business Agency can accommodate at any given time and will not assign participants in excess of the agreed upon and open work site slots.
3. Workforce Solutions Coastal Bend will use the participant's component enrollment and objective assessment results to assist with the assignment of a participant to a work site slot.
4. Workforce Solutions Coastal Bend will provide access to a full-time employer liaison that will assist the worksite with the identification and resolution of training issues.
5. Workforce Solutions Coastal Bend will observe worksites for compliance with all objectives of the program, supervisor responsibilities, training responsibilities, record keeping, safety, and compliance with applicable program regulations including Child Labor Laws when applicable.
6. Workforce Solutions Coastal Bend will subsidize all employee wages for the scheduled work hours as stated on the Placement Authorization Form and in accordance with current Federal Minimum Wage Regulations.
7. Workforce Solutions Coastal Bend will maintain a current Worker's Compensation Policy for all work experience participants.
8. Workforce Solutions Coastal Bend may provide, at no cost to the worksite, all safety equipment required for the Work Experience placement.

Worksite Business/Agency

1. Business/Agency Worksite Supervisors, direct and alternate, will attend an employer orientation to have a working knowledge of the work experience placement.
2. Business/Agency will provide full time Worksite Supervisors for the participant during their scheduled work hours. Full time supervision may be provided by the direct supervisor or the alternate supervisor. If during the training period the worksite reassigns supervisory responsibilities associated with the participant, the worksite will notify the assigned employer liaison within 48 hours and arrange for an individual supervisor orientation.
3. Business/Agency Worksite Supervisors will provide the training as stated on the Work Experience Placement Authorization and schedule work hours as assigned.
4. Business/Agency will provide the participant with full-time supervision, job training, safety training, supplies, and equipment necessary to complete assigned tasks.
5. Business/Agency will cooperate with all worksite monitoring by Workforce Solutions Coastal Bend and the Texas Workforce Commission.
6. Business/Agency agrees to comply with all Wages and Hour regulations, and all other statutes or regulations applicable to the Work Experience participant.
7. Business/Agency will not discriminate with respect to any participant or potential participant because of race, creed, color, national origin, sex, political affiliation or beliefs. Further, they will comply with Titles VI and VII of the Civil Rights Act of 1964, as amended and all other applicable Federal, State, and Local Laws and Regulations applicable to non-discriminatory practices. Further, it is understood and agreed that participants in the program will not be employed in the construction, operation, or maintenance of any facility used or planned for use for sectarian activities or as a place for religious worship.
8. Business/Agency shall ensure that compliance with Texas Government Code §2264.051, which states that a business that applies to receive a public subsidy¹ from a state agency shall certify that the business, or a branch, division, or department of the business does not and will not knowingly employ an undocumented worker² as defined in Texas Government Code, §2264.001(4).
9. Business/Agency agrees this placement will not result in the displacement of any currently employed workers.
10. Business/Agency has the right to discipline and/or terminate participants on the same basis as its regular employees for violations of workplace code of conduct or other expectations. Business/Agency will notify its employer liaison in advance if possible and no later than 24 hours following any disciplinary action against or termination of participants.

Other

1. Overtime, vacation, and holiday hours for participants are not subsidized (paid) by Workforce Solutions Coastal Bend.
2. All forms are incorporated herein by reference and shall be construed as part of this agreement.
3. Workforce Solutions Coastal Bend reserves the right to remove participants from the work site(s) if violations of Workforce Solutions Coastal Bend policies or Wage and Hour regulations occur.

¹ *Public Subsidy* is broadly defined Texas Government Code §2264.001(3) as a public program or public benefit or assistance of any type that is designed to stimulate the economic development of a corporation, industry, or sector of the state's economy or to create or retain jobs in Texas. The term includes, among other things, bonds, grants, loans, loan guarantees, benefits relating to an enterprise or empowerment zone, infrastructure development and improvements designed to principally benefit a single business or defined group of businesses, and matching funds. The Commission's Office of General Counsel has found that HB 1196 does not apply to the acquisition of goods and services.

² *Undocumented worker* is defined as an individual who, at the time of employment, is not lawfully admitted for permanent residence in the United States, or is not authorized under law to be employed in that manner in the United States.

This agreement is in effect, when a duly' authorized representative of worksite business/agency and Workforce Solutions Coastal Bend signatures are affixed, and shall be in force until terminated in writing by either party.

<p>Work Site Agency: _____</p> <p>Address _____</p> <p>City, State, Zip Code _____</p> <p>Phone _____</p> <p>Email _____</p> <p>Authorized Representative Printed Name & Title:</p> <p>_____</p> <p>Signature: _____</p> <p>Date: _____</p>	<p>Issuing Office: <u>Workforce Solutions Coastal Bend</u></p> <p>Address <u>4981 Ayers Street</u></p> <p>City, State, Zip Code: <u>Corpus Christi, Texas 78415</u></p> <p>Contact Phone#: _____</p> <p>Authorized Representative Printed Name & Title:</p> <p>_____</p> <p>Signature: _____</p> <p>Date: _____</p>
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Federal Opportunity Employer/Program
Auxiliary aids and services are available upon request to individuals with disabilities.
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ATTACHMENT 7

Mold Remediation

Memo

To: South Texas Water Authority, Board of Directors
From: John Marez, Executive Director
Date: May 28, 2026
Re: **Authorization to Issue Request for Proposals for Mold Remediation Services**

Background:

On October 27, 2025, the Board of Directors authorized the use of a Job Order Contract (JOC) procurement method for mold remediation services associated with the STWA Administration Office. Since that authorization, staff has continued evaluating procurement options and project delivery methods to address remediation needs in an efficient and legally compliant manner.

Due to the specialized nature of mold remediation services and the need to evaluate contractor qualifications, remediation methodologies, schedule, safety practices, and pricing, staff is recommending transitioning from the previously authorized JOC procurement method to a Competitive Sealed Proposal/Request for Proposals (RFP) process.

Analysis:

Mold remediation projects involve environmental, health, and safety considerations that extend beyond a standard construction or repair project. The recommended RFP/CSP process allows STWA to evaluate proposals based on "best value" criteria rather than solely lowest price.

The proposed procurement process would allow staff to evaluate:

- Contractor experience and qualifications
- Remediation methodology
- Safety practices and insurance coverage
- Project schedule and response time
- References and past performance
- Total project cost

To expedite the project timeline and minimize operational disruption, the Board may consider authorizing the Executive Director to evaluate proposals and award the contract to the best-ranked proposer within the approved budget authority. Alternatively, the Board may direct staff to return with a recommendation for final Board approval prior to award.

Fiscal Impact:

The total project authorization is proposed at an amount not to exceed \$300,000, subject to available budgeted funds and/or operational reserves.

Final project costs will depend on the scope of remediation services, environmental controls, demolition requirements, and any necessary restoration work identified during the procurement process.

Staff Recommendation:

Staff recommends the Board authorize the Executive Director to:

- Supersede the previously authorized Job Order Contract procurement method;
- Issue a Request for Proposals / Competitive Sealed Proposal for Mold Remediation Services for the STWA Administration Office;
- Establish a project budget authority not to exceed \$300,000; and
 - Authorize the Executive Director to evaluate proposals and award the contract to the best-ranked proposer within the approved budget authority;
 - or
 - Direct the Executive Director to return to the Board with a recommendation for award based on the best evaluated proposal by the next meeting, June 30, 2026.

Board Action:

Consider and take possible action authorizing the Executive Director to proceed with issuance of a Request for Proposals/Competitive Sealed Proposal (RFP/CSP) for Mold Remediation Services for the STWA Administration Office and establish a project budget authority not to exceed \$300,000.

Summary:

Staff recommends transitioning from the previously authorized JOC procurement method to a RFP/CSP process to provide STWA with greater flexibility in evaluating contractor qualifications, project approach, schedule, and pricing associated with mold remediation services.

The recommended procurement method provides a best-value approach while supporting an expedited project timeline and maintaining procurement transparency and compliance.

ATTACHMENT 8

Seven Seas

Memo

To: South Texas Water Authority, Board of Directors
From: John Marez, Executive Director
Date: May 28, 2026
Re: **Update on Seven Seas Project**

Background:

The South Texas Water Authority (STWA) continues to advance discussions and coordination efforts with Seven Seas Water Group regarding the proposed brackish groundwater desalination project. The STWA Board previously approved the agreement between STWA and Seven Seas Water Group during the March 9, 2026 Board Meeting. Since that action, both parties have finalized and executed the agreement. The attached Seven Seas Water Group project update presentation outlines the current status and next steps associated with the project, including well drilling selection, hydrogeological oversight, and permitting activities.

Analysis:

With the agreement now fully executed, the project has entered the next phase of development activities. Seven Seas Water Group has identified a well driller and continues coordination related to pilot hole drilling, geophysical logging, construction of the initial well, and monitoring wells. Additional work associated with hydrogeological oversight and deep well disposal permitting is also underway.

Staff continues to work with project stakeholders regarding land acquisition and related agreements necessary to support the project site. Negotiations remain ongoing, and staff anticipates bringing finalized land-related items forward by the next regular STWA Board meeting scheduled for the end of June 2026.

This update reflects continued progress toward development of an additional, long-term alternative water supply source for the region.

Fiscal Impact:

There is no fiscal impact associated with the sample well testing activities. Costs associated with the testing are included as part of the executed agreement and conditions jointly agreed resulting in no out-of-pocket cost taken on by the South Texas Water Authority to perform this function.

Staff Recommendation:

Staff recommends the Board receive this update and continue supporting ongoing coordination efforts

related to the Seven Seas Water Group project.

Board Action:

No action is required at this time. This item is presented for informational and update purposes only.

Summary:

The Seven Seas Water Group project continues to progress following execution of the agreement previously approved by the Board. Project development activities, including well drilling coordination and permitting efforts, are underway, while land negotiations continue toward anticipated completion by the end of June 2026. Staff will continue providing updates to the Board as additional milestones are achieved.

Reference Attachment Powerpoint: Seven Seas Water Group Project Update – June 2, 2026



SEVEN SEAS WATER GROUP

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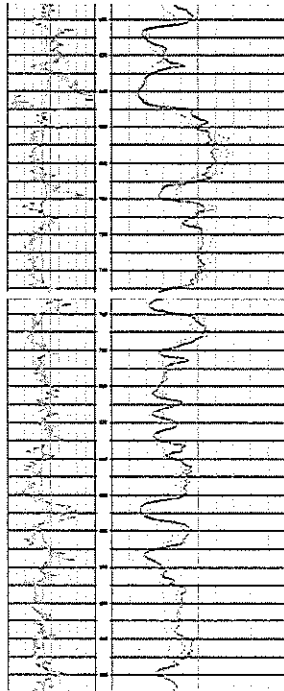
Seven Seas Water Group Project Update

Kasy Stinson- Project Developer Texas

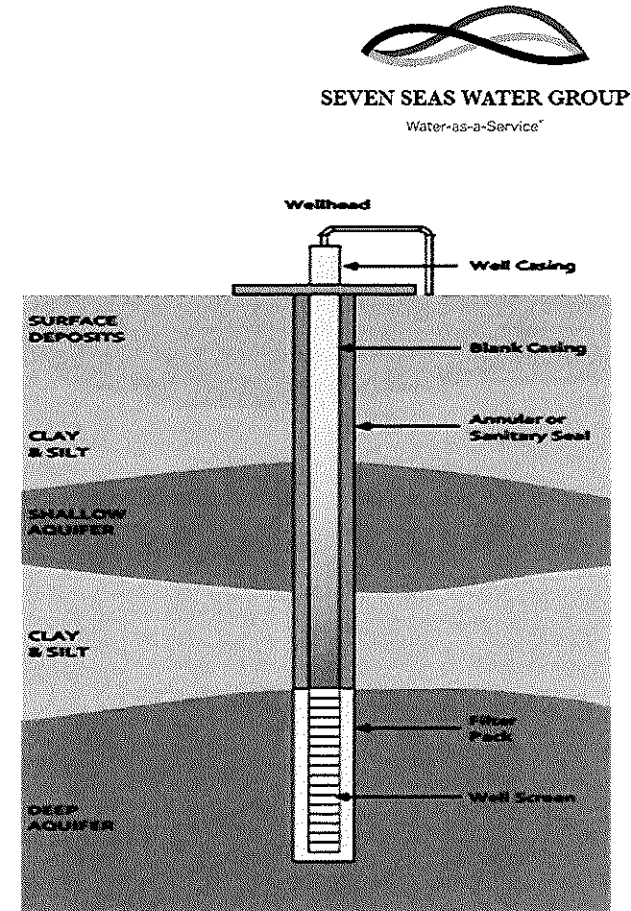
June 2, 2026

Overview of Process

Next Steps



- **Well Driller Selected**
 - EE Water/Peerless
 - PEERLESS EQUIPMENT – Peerless Equipment
 - Pilot hole Drilling
 - Geophysical Logging
 - Construction of first well
 - Construction of monitoring wells
- **Finalizing Agreements**
 - Hydrogeo Oversight
 - Deep Well Disposal Permitting





SEVEN SEAS WATER GROUP

Water-as-a-Service

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ADMINISTRATION REPORT

Memo

To: South Texas Water Authority, Board of Directors
From: John Marez, Executive Director
Date: May 28, 2026
Re: **Administration Report – Projects, Board Actions/Direction**

Background:

The South Texas Water Authority (STWA) continues to actively manage multiple major operational, infrastructure, financial, engineering, and water supply planning initiatives simultaneously. These projects include ongoing infrastructure rehabilitation, Texas Water Development Board (TWDB) funding coordination, planning associated with the proposed Seven Seas Water Group project, system assessments, and long-term water supply diversification strategies. Many of these items remain fluid and continue to evolve as engineering analysis, funding opportunities, operational needs, and Board direction develop.

The recent memorandum submitted outlining various concerns, interpretations, and recommendations reflects the importance of maintaining open dialogue regarding STWA's future planning and infrastructure needs.

Analysis:

Staff appreciates the continued engagement and interest from Board members regarding the future direction of STWA. Several of issues have already been addressed verbally during prior meetings, workshops, and project discussions. However, because **many of these matters remain in active planning, engineering, legal, financial, or conceptual stages, some issues continue to evolve** as additional information becomes available.

It is important to emphasize that **STWA management operate under the policy direction established by a majority vote of the Board of Directors. While staff is responsible for researching, evaluating, planning, coordinating, and presenting options to the Board, final commitments or policy determinations are made with Board approval.** This includes matters involving financing, water supply strategies, infrastructure construction, operational changes, bond elections, contractual obligations, or long-term system planning.

Several major initiatives are currently operating on parallel timelines, requiring staff to balance organizational time, engineering coordination, financial planning, grant compliance, procurement activities, operational demands, and regulatory requirements simultaneously.

Regarding the proposed **November 2026 Bond Election, staff continues planning efforts** associated with possible Board action **to coordinate with Nueces County and Kleberg County election officials.** Public

outreach and transparency will remain a priority throughout the process within the legal limitations governing public entities and bond elections. Additional updates and potential Board action items are anticipated at upcoming Board meetings.

Questions regarding the **42-inch transmission line, Air Relief Valve (ARV) assessments, Gate Valve (GV) assessments**, and related infrastructure planning are currently being evaluated in coordination with STWA's engineering, fiscal, grant, and consulting teams. These efforts are tied directly to available state funding opportunities and any future voter-approved funding mechanisms. As these assessments continue, staff will provide additional presentations, reports, and recommendations to the Board for consideration.

With respect to financial management and cost allocation between **STWA, Ricardo Water Supply Corporation (RWSC), and Nueces Water Supply Corporation (NWSC)**, staff continues to strengthen financial oversight procedures to ensure costs, assets, and operational responsibilities are properly tracked and reconciled. While some infrastructure and operational responsibilities may fall directly under wholesale customer agreements, there are instances where costs are shared depending on the nature of the infrastructure, operational control, or contractual obligations. Management continues working to improve **transparency and accounting** clarity regarding these matters.

Regarding **long-term water supply planning** and the proposed **Seven Seas Water Group** project, the STWA Board has not approved eliminating the City of Corpus Christi as a water source and we are **contractually obligated to Corpus Christi Water up to 12/31/28**. That determination would require explicit Board action. **Staff's current direction** from the Board has been to **pursue redundant and diversified water supply options** that create a stronger **regional water portfolio** and reduce long-term risk to droughts or water supply chain obstacles.

Additionally, current **engineering evaluations** indicate that **reversing water flow** from south to north through portions of the existing transmission system **would create significant operational, infrastructure, and cost challenges** due to the **age and configuration of the existing infrastructure**. Current planning discussions associated with the proposed **Brackish Reverse Osmosis project** continue to focus on delivering water west and south through the STWA system consistent with **operational and engineering evaluations** presently under review.

Fiscal Impact:

There is no specific fiscal impact associated with this administration report. The topics discussed involve multiple ongoing projects, planning initiatives, operational activities, and conceptual evaluations currently being reviewed by staff, consultants, engineers, legal counsel, and financial advisors.

Our team is currently working with our Financial Advisors (**Estrada/Hinojosa**) & **Water Finance Exchange** to coordinate with the Texas Water Development Board (**TWDB**) on finalizing our total **\$60 million low interest loan and grant up to \$10 million**.

Additionally, the option of a November 2026 General Bond Election, and if approved how it's related funding will cover a portion of upgrades for the water system is an item that will be discussed in our upcoming board meetings.

Staff Recommendation:

Staff recommends continued Board discussion, direction, and collaboration regarding ongoing infrastructure planning, water supply diversification efforts, funding opportunities, and long-term system development initiatives.

Board Action:

No action is required at this time. This item is presented for informational and administrative update purposes.

Summary:

STWA management and staff remain committed to transparency, responsible planning, sound financial oversight, infrastructure reliability, and long-term regional water security.

Staff will continue bringing recommendations, updates, engineering evaluations, and policy matters forward to the Board for consideration and direction.

As always, final decisions related to funding, infrastructure investments, operational changes, water supply strategy, and future system development remain under the authority and direction of the STWA Board of Directors.