

**MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
OF  
LAKE LIVINGSTON WATER SUPPLY CORPORATION**

**March 19, 2026**

A regular meeting of the Board of Directors of Lake Livingston Water Supply Corporation (hereinafter called "LLWSC") was called to order at 10:00 a.m. on March 19, 2026, at the office of LLWSC located at 1930 North Washington, Livingston, Texas. Board Members in attendance were as follows: John Sexton, Carolyn Ordner, George Harris, Christi Allen, Phillip Waller, Michael McDuffie and John Long.

Other people attending the meeting were: Kim Click, Zuni David, Phillip Everett, Adrena Gilbert and Judy Cochran.

The items of business to be considered and transacted during the meeting are as follows:

Agenda Item No. 1: Call to Order

Mr. Sexton asked if a quorum of the Board of Directors was present. Christi Allen, Secretary, confirmed that a quorum was present.

Agenda Item No. 2: Pledge of Allegiance and Prayer

Pledge of Allegiance led by Michael McDuffie and prayer by George Harris.

Agenda Item No. 3: Public Comment

No public present for comment.

Agenda Item No. 4: Reading and action on Past Meeting Minutes

Reading was waived of February 26, 2026; Regular meeting minutes; they were reviewed and approved. A motion to approve the minutes was made by Christi Allen and seconded by Carolyn Ordner. Motion passed by voting of all directors.

Agenda Item No. 5: Consideration and action, if necessary, on the following:

- Annual Letter and Approval of Unopposed Resolution and Certificate-Adrena Gilbert  
Adrena presented the annual letter compiled by Kim Click recommended for distribution to customers. She also read the Unopposed Resolution and Certificate to the directors for the Unopposed election. A motion to approve the letter as written, as well as the resolution and certificate for the Unopposed election was made by Phillip Waller and seconded by George Harris. The motion passed by the voting of all directors.

Agenda Item 6: Report to the board by the following:

- Kim Click, General Manager – reported on the following:
  - SPI Update
    - Awaiting TCEQ response for the ACR's for Beech Creek and Wiggins Village #1 ground storage tank replacements.
    - The revised changes for Weaver's Cove LAS (ammonia) treatment was submitted to change the size of the tank from 350 gallon tank to a 50 gallon tank. Due to the amount of gallons used per month and the size of the location downsizing is recommended for adequate spacing.
    - The 356 project is at 90% completion. A walk through will be conducted next week (03/23-27) review the work completed and ensure the locations are cleaned up appropriately.
    - A quote was received from Trac-Trol to connect Impala Woods to the SCADA system at the North Surface Treatment Plant and it was \$89,500.00.
    - Installation of the mixer in the standpipe at Lake Livingston 4&5 was completed and currently in use.
    - The pressure tank for Old Snake will be delivered March 24, 2026. We will complete the tie in and have the pump house and chlorine buildings will be refurbished due to current conditions are unrepairable.
- Zuni David, Chief Financial Officer – reported on the following:
  - Net cash for February 2026, \$ 1,693,607.00
  - See attached Financials.
- Phillip Everett, Field Superintendent – reported on the following:
  - Line loss always fluctuates month to month Recently we have five subdivisions where fiber lines are being installed and they are causing a number of leaks having to be repaired. The wind storms recently have also caused several lines to break.
  - Work Order and Line Loss reports attached.

Agenda Item No. 7: Board Policy Discussion – revision/addition new LLWSC policies.

Nothing to report.

Mr. Sexton requested an executive session for discussion of personnel matters. Open meeting was adjourned to hold an executive session at 10:21 am. The motion to adjourn was made by Carolyn Ordner and seconded by Phillip Waller. The motion passed by the voting of all directors.

Agenda Item No. 8: Executive Session, if necessary, to consult with Attorney regarding pending or contemplated litigation, settlement offers, or any matter in which the Board may seek the advice of its attorney under Government Code §551.071; and to discuss personnel matters, pursuant to Government Code §551.074; and will reconvene in open session for any necessary action on any matter considered in Closed Session.

Closed session ended at 10:41 am and open session reconvened with no action being taken at 10:42 am.

Agenda Item No. 8: Adjournment.

A **Motion** to adjourn was made by George Harris and seconded by Carolyn Ordner, motion passed by voting of all Directors. Meeting concluded at approximately 10:43 a.m.

Respectfully submitted,

*Christi Allen*

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CHRISTI ALLEN, Secretary, Board of Directors  
Lake Livingston Water Supply Corporation



# Lake Livingston Water Supply Corporation

1930 North Washington  
P. O. Box 1149  
Livingston, Texas 77351  
(936) 327-3107 / 1(800) 774-9283  
FAX (936) 327-8959



John Sexton, President  
Carolyn Ordner Vice President  
Christi Allen, Secretary  
George Harris, Treasurer  
Kim Click, General Manager

John Long, Director  
Michael McDuffie, Director  
Phillip Waller, Director  
Zuni David, CFO  
Adrena Gilbert, Dir. Of Admin Srv

March 19, 2026

Greetings LLWSC Members:

Your annual membership meeting will be held Thursday, April 23, 2026, at 6:00 p.m. at the Lake Livingston Water Supply Corporation main office located at 1930 N. Washington in Livingston, TX. We encourage you to attend this meeting in person, to learn about the significant service improvements that have been made over the last year and meet the team who manage operations and provide our members with water service.

Although we are still faced with some challenges, our operators continue to work hard to provide quality water and supply. I have been extremely proud of our staff for the efficient service of water distribution for over 7000 members, across six counties within 113 neighborhoods. The operators travel countless miles annually and work hard to provide water service to our members. In addition, our Customer Service Representatives strive daily to provide you with excellent service.

We continue to improve our service by upgrading our systems. The project for the 356-transmission line is 55% complete. There are other projects being considered and one is interconnecting Lakeland Hideaway, Natasha Heights, Cherokee Forest, Green Acres to the East Surface Treatment Plant.

Ms. Christi Allen and Mr. Michael McDuffie applied for the two director positions available, and they were the only people to qualify as candidates. Because the Texas Legislature changed the law, we do not have to conduct a director election if the candidates are unopposed. The Board met on March 19, 2026; and declared the candidates to be elected. You may visit our website for additional information.

Water loss continues to be one of the major threats to ensure there is an adequate and reliable supply of water to every member. As members, it's imperative that LLWSC is notified when leaks are suspected/ discovered within our neighborhoods. To report a leak, simply call **936-327-3107** or **1-800-774-9283** 24/7 so that prompt action can be taken. You may also view alerts on our website at [www.lakelivingstonwatersupply.org](http://www.lakelivingstonwatersupply.org) to keep you informed. In addition, please make sure your correct phone number is on file to be notified via phone call of boil water notices and other matters relating to your service. We look forward to seeing you on April 23<sup>rd</sup> and hearing about your experience as an LLWSC member.

Sincerely,

*Kim Click*

Kim Click  
General Manager

RESOLUTION OF THE BOARD OF DIRECTORS  
FOR  
LAKE LIVINGSTON WATER SUPPLY CORPORATION

WHEREAS, pursuant to the Election Procedures of Lake Livingston Water Supply Corporation (the "Corporation"), the Board of Directors of the Corporation (the "Board") may declare a candidate elected to a director's position if the Board certifies in writing that a candidate is unopposed for the position.

WHEREAS, Christi Allen and Michael McDuffie filed for election to the office of Director.

WHEREAS, the Board has received the Certificate of Unopposed Status for the April 23, 2026, Director Election (a copy of which is attached to this Resolution), certifying that Christi Allen and Michael McDuffie are unopposed for election to the office of Director of the Corporation and that no candidate's name was placed on a list of write-in candidates for those offices;

Now, therefore, it is hereby

RESOLVED that Christi Allen and Michael McDuffie are each declared elected to Directors positions with the Corporation.

It is further RESOLVED that the election scheduled for April 23, 2026, shall not be held and the text of this declaration shall be read into record at the annual meeting to be held on April 23, 2026.

It is further RESOLVED that a copy of this resolution shall be posted at the main office of the Corporation.

PASSED, APPROVED, AND ADOPTED THIS 19<sup>th</sup> DAY OF MARCH 2026.

LAKE LIVINGSTON WATER SUPPLY CORPORATION

BY: John N. Sexton  
John Sexton, President of the  
Board of Directors

ATTEST:

Carolyn Ordner, Carolyn Ordner, Vice President

CERTIFICATE OF UNOPPOSED STATUS

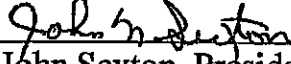
LAKE LIVINGSTON WATER SUPPLY CORPORATION  
APRIL 23, 2026 ELECTION

The undersigned, being responsible for having the official ballot prepared for the above election, certifies that the following candidates are unopposed for election to the office of Director of Lake Livingston Water Supply Corporation:

1. Christi Allen
2. Michael McDuffie

I further certify that no candidate's name was placed on a list of write-in candidates for those offices.

Dated: March 19, 2026

  
\_\_\_\_\_  
John Sexton, President  
Lake Livingston Water Supply Corporation

Lake Livingston Water Supply  
Cash Flow Statement  
February 2025 - 2026 Comparison

<b>Inflows from Operations</b>	<b>2025</b>	<b>2026</b>	<b>Available Funds</b>	<b>2025</b>	<b>2026</b>
Cash Received from Customers	576,207	597,491	O & M Ending Balance	1,223,164	1,014,511
Tap Fees	7,250	14,775	Electronic Funds	18,944	8,549
Sale of Surplus Equipment/Vehicles	-	-	Construction Fund	363,271	617,422
Sale of Real Estate	-	-	<b>Total Cash Avail.</b>	<b>1,625,379</b>	<b>1,640,482</b>
Refunds or Rebates	1,044	1,111			
Miscellaneous Cash Received	13,599	23,403	<b>Other Outflows</b>	<b>Current Month</b>	<b>Total Year to Date</b>
<b>Total Cash Received</b>	<b>598,100</b>	<b>636,780</b>	Co Bank Loan	31,050	43,602
			T W D B Reserves	4,740	676,579
<b>Outflows</b>	<b>2025</b>	<b>2026</b>	Spent Funds Total	<b>35,790</b>	<b>720,181</b>
Payroll	164,779	169,830	Expected Funds Acct	10,000	33,762
Chemical	13,974	21,148	Sinking Fund	92,100	304,316
Electrical	18,110	21,222	Holding Comm. Total	<b>102,100</b>	<b>338,078</b>
Maintenance of existing facilities	69,200	62,372			<b>112,000</b>
Maintenance of vehicles & equipment	2,878	3,475			<b>345,753</b>
Insurance - Medical	30,287	34,524			
Insurance- Vehicles, Equipment & Plant	9,000	9,000			
Fuel	6,967	7,007			
Operators Supplies	5,844	3,957			
Water & Raw Water	7,343	7,859			
Office supplies	1,042	2,487			
Comp./Equip. O&M including software	12,558	13,404			
Postage	1,526	88			
Interest	14,416	15,451			
Director fees	3,271	3,295			
Engineering fees	-	12,895			
Legal fees	3,755	-			
Utilities	5,113	5,426			
Miscellaneous expenditures	30,820	34,032			
Laboratory Fees	8,142	7,133			
<b>Total Cash Outflow from Operations</b>	<b>409,025</b>	<b>434,605</b>			
<b>Total Cash Surplus from Operations</b>	<b>51,185</b>	<b>53,125</b>			
<b>Net Cash Surplus or (Deficit)</b>	<b>1,676,564</b>	<b>1,693,607</b>			

<b>2026</b>	
TOTAL CASH RECEIVED:	636,780
TOTAL CASH AVAILABLE:	1,640,482
SPENT FUNDS TOTAL:	(37,050)
HOLDING COMM. TOTAL:	(112,000)
TOTAL CASH OUTFLOW	(434,605)
<b>NET CASH TOTAL</b>	<b>1,693,607</b>

<b>2025</b>	
TOTAL CASH RECEIVED:	598,100
TOTAL CASH AVAILABLE:	1,625,379
SPENT FUNDS TOTAL:	(35,790)
HOLDING COMM. TOTAL:	(102,100)
TOTAL CASH OUTFLOW	(409,025)
<b>NET CASH TOTAL</b>	<b>1,676,564</b>

February 2026 -2026  
MISC DETAIL SHEET

MISC REVENUE	2025	2026	DIFF
40050 WATER REV OTHER	1,123	4,871	(3,748)
40100 EQUITY BUY IN FEE	2,800	8,390	(3,600)
40205 LATE FEES	7,868	7,521	327
40210 METER RELOCATION FEE	-	-	-
40250 NON-PAY DISCONNECT FEE	100	3,850	(3,750)
40285 RETRUN CHECK FEES	700	805	(105)
45000 COVERAGE & SHORTAGE	62	(1)	63
48000 MISCELLANEOUS INCOME	878	-	878
48500 VENDING MACHINE SALES	78	47	31
<b>TOTAL</b>	<b>13,599</b>	<b>23,403</b>	<b>(9,804)</b>

MISC EXPENSES	2025	2026	DIFF
53000 GENERATOR FUEL	8,714	380	8,334
53010 GENERATOR MAINTENANCE	10,546	14,595	(4,049)
54000 CUSTOMER RELATIONS	78	2,197	(2,119)
54500 WATER PRODUCTION FEES	87	42	25
55000 OTHER DIRECT COSTS	-	-	-
56010 BANK FEES	2,510	304	2,306
56015 ELECTRONIC PAYMENTS	2,159	2,273	(114)
56035 CONTINUOUS EDUCATION	-	3,465	(3,465)
56040 DUES & SUBSCRIPTIONS	1,057	-	1,057
56097 COMMITMENT FEES (COBANK)	88	175	(87)
58110 ADMINISTRATIVE SERVICES	1,810	5,565	(3,745)
58113 CONSULTANT SERVICES	-	-	-
58116 FINANCIAL & AUDIT SERVICES	-	-	-
58125 OPERATIONAL FEES	2,171	1,610	561
58130 MEALS	-	63	(63)
58134 PAPER	284	384	(100)
58140 PENALTIES & FINES	-	-	-
58150 PROPERTY FEES - POA	40	40	-
58165 RENT - EQUIPMENT	1,950	1,950	-
58170 REPAIRS & MAINTENANCE	-	-	-
58198 FLOWER FUND	-	-	-
68220 TRAVEL	-	-	-
68225 UNIFORM SERVICES	1,247	924	323
68250 OTHER EMPLOYEE BENEFITS	18	-	18
68251 EMPLOYEE RECOGNITION	-	95	(95)
<b>TOTAL</b>	<b>30,820</b>	<b>34,032</b>	<b>(3,212)</b>

# CoBank Loans Payment Tracking February 2026



	PRINCIPAL PAID	PRINCIPAL BALANCE	T03
1/30/2026	12,835	38,306	
2/27/2026	12,864	25,442	

## T03 Loan

Effective date: 04/30/2014  
 Maturity date: 04/20/2026  
 Principal Paid: 12,864  
 Principal Balance: 25,442

	PRINCIPAL PAID	PRINCIPAL BALANCE	T04
1/30/2026	18,852	1,046,491	
2/27/2026	19,446	1,027,045	

## T04 Loan

Effective date: 02/26/2025  
 Maturity date: 02/20/2030  
 Principal Paid: 19,446  
 Principal Balance: 1,027,045

# TWDB Bonds Tracking – February 2026



<b>DUE DATE</b>	<b>AMOUNT</b>	<b>DETAIL</b>
6/1/2026	41,427	2013 SEMI ANNUAL
12/1/2026	211,427	2013 ANNUAL
12/1/2026	855,000	2007 ANNUAL
	<u>1,107,854</u>	<b>REMAINING BALANCE AS OF 02/28/2026</b> 11,649,163

\*\*CoBank + TWDB bonds = 12,701,650 as of 02/28/2026.

# Budget/Actual Comparison February 2026



ACCOUNT DESCRIPTION	MONTHLY DIFFERENCE	MONTHLY PERCENT	YEARLY DIFFERENCE	YEARLY PERCENT
<b>WATER REVENUE</b>	27,491	5%	58,896	5%
<b>OTHER REVENUES</b>	1,784	5%	(3,838)	-5%
<b><u>TOTAL REVENUES</u></b>	<b>29,276</b>	<b>5%</b>	<b>55,059</b>	<b>5%</b>
<b>TOTAL EXPENSE</b>	(29,290)	-5%	(91,528)	-8%
<b><u>NET INCOME</u></b>	<b>58,566</b>	<b>260%</b>	<b>146,587</b>	<b>226%</b>



# Completed Work Orders

February 2026  
Totals Line Loss

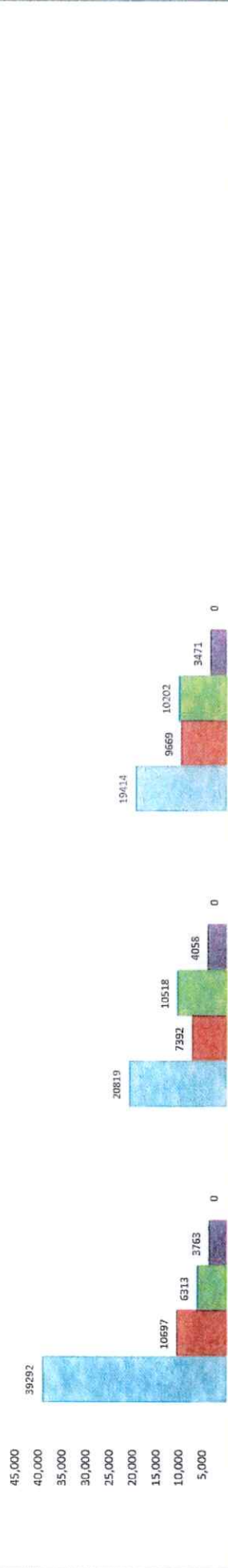
Description

Short\Long Tap	9	
Meter Leak	6	6
Misc. Repair	13	0
Test Meter	0	
Change Meter	64	
Flush Valve Repair	22	22
Flush Valve Install	0	0
1\2" Leak	0	0
3\4" leak	21	21
1" Leak	1	1
1\4" Leak	0	0
1\2" Leak	12	12
2" Leak	57	57
2\2" Leak	1	1
3" Leak	5	5
4" Leak	15	15
6" Leak	2	2
8" Leak	0	0
Clean Up	0	
Lower Lines	2	
Line Locates	167	
Look For Leaks	0	
Water Line Install	1	
Flush Code (A,B,C)	9	
Retap	40	
Occupant Change	0	
Reconnect Nonpay	0	
Disconnect Nonpay	58	
Disconnect Per Customer	16	
Disconnect NSF	2	
Possible illegal	6	
Pull Idle	0	
ReRead Per Meter Sheet	403	
ReRead Per Customer	2	
Bullding Repair	0	
10\12 Leak	1	1
Pressure Tank Repair \Install	1	
GST Repair	1	
A\C Repair \Install	0	
Cl2 Gas Repair	0	
Chemical Pump Repair	0	
Well Repair	0	
Booster Pump Repair\Install	2	
Control Repair	0	
Electrical Repair	3	
Site Glass Repair	0	
Master Meter Replacement	0	
total	942	143

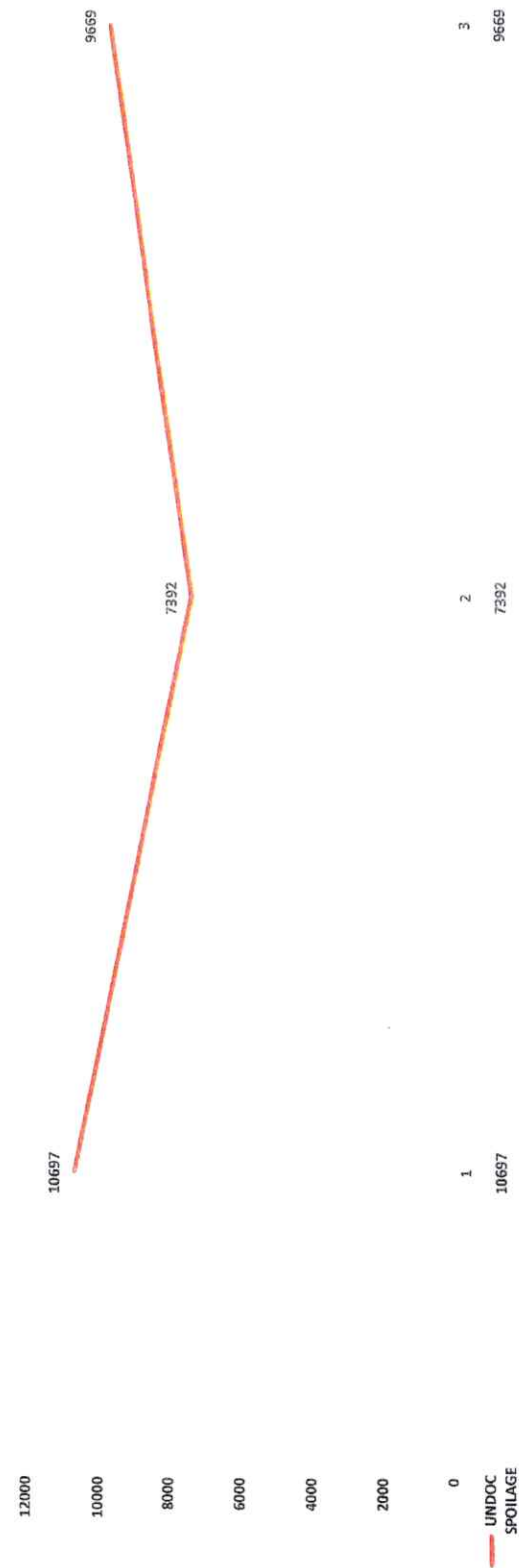
LAKE LIVINGSTON WATER SUPPLY CONSUMPTION / LOSS TREND

2025/2026

	November - 2025	December - 2025	January - 2026	PERCENTAGE
CONSUMPTION	39292	20819	19414	NOV - 47% - 27% - 10%
UNDOC SPOILAGE	10697	7392	9669	DEC - 49% - 17% - 9%
DOC SPOILAGE	6313	10518	10202	JAN - 45% - 23% - 8%
FLUSHING	3763	4058	3471	Undocumented Average = 22.33 %
BACKWASH	0	0	0	
CONSUMPTION	UNDOC SPOILAGE	DOC SPOILAGE	FLUSHING	BACKWASH



November - 2025      December - 2025      January - 2026



0      1      2      3  
 UNDOC SPOILAGE      10697      7392      9669