

MINUTES OF  
LAKE MCQUEENEY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

February 17, 2026

The Board of Directors (the "Board") of Lake McQueeney Water Control and Improvement District No. 1 (the "District") met in regular session in person, open to the public, on the 17<sup>th</sup> day of February 2026, at Lake Breeze Ski Lodge, 225 Ski Lodge Road, McQueeney, TX 781234, inside the boundaries of the District, and the roll was called of the members of the Board:

Robert L. Worth, Jr.	President
Paul A. Mueller	Vice President
Lindsey Gillum	Secretary
David Doughtie	Treasurer/Assistant Secretary
Michele Norris	Assistant Vice President

And all of the above were present, thus constituting a quorum.

Also present at the meeting, either in person or by videoconference, were: members of the public, some of whose names are listed on the attached sign-in and online attendance sheets; Calep Estes of Touchstone District Services ("Touchstone"); and, attending virtually, Terrell Palmer of Post Oak Municipal Advisors, LLC ("POMA"); and Nellie Connally and Jane Miller of Allen Boone Humphries Robinson, LLP ("ABHR").

PUBLIC COMMENT

Director Worth opened the floor and line for the Board to receive public comment.

There being no members of the public present in person or attending remotely requesting to make a public comment, the Board moved to the next agenda item.

MINUTES

The Board reviewed the minutes of the January 20, 2026, regular meeting. Director Mueller moved to approve the minutes. The motion was seconded by Director Norris and passed unanimously.

AUDIT FOR FISCAL YEAR END APRIL 30, 2026

Director Doughtie discussed the estimated costs to conduct the District's audit for the fiscal year ending April 30, 2026. After review and discussion, and upon a motion made by Director Doughtie and seconded by Director Mueller, the Board voted unanimously to authorize the District auditor to proceed.

## FINANCIAL AND BOOKKEEPING MATTERS

Director Doughtie reviewed the bookkeeper's report, a copy of which is attached. Discussion ensued regarding additional bond authorization remaining, unspent bond proceeds and funds requested by the Guadalupe-Blanco River Authority ("GBRA") to complete dam construction pursuant to the GBRA's contract with Sundt Construction Company.

Following review and discussion of the financial report, including tax revenue, Director Mueller moved to (1) approve the bookkeeper's report and payment of invoices; and (2) transfer \$3,000,000 to the GBRA to complete dam construction. The motion was seconded by Director Gillum and passed unanimously.

## RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board discussed general residential homestead exemptions and homestead exemptions for disabled persons or persons over 65 years of age.

After review and discussion, Director Norris moved to reject all optional exemptions. The motion was seconded by Director Gillum and carried by unanimous vote.

## RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2026 TAX YEAR

Ms. Connally discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. She reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developing District for the 2026 tax year.

Following review and discussion, Director Norris moved to adopt a Resolution Regarding Development Status for 2026 Tax Year establishing the District as a Developing district for the 2026 tax year, pursuant to Section 49, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Mueller seconded the motion, which passed unanimously.

RENEWAL OF DISTRICT INSURANCE POLICIES

Director Doughtie reviewed an insurance renewal proposal from McDonald & Wessendorff Insurance. Following review and discussion, Director Gillum moved to approve a proposal from McDonald and Wessendorff Insurance for renewal of insurance effective April 9, 2026. Director Norris seconded the motion, which passed unanimously.

ENGINEERING UPDATE, GBRA UPDATE

Director Mueller provided an update regarding dam construction and ongoing discussions with the GBRA regarding contract performance.

Discussion ensued regarding lake management and the Board concurred that Friends of Lake McQueeney (FOLM) will be the primary contact with GBRA on matters regarding lake management.


WEBSITE AND COMMUNICATION MATTERS

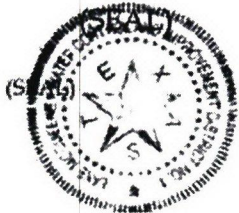
Director Norris reviewed a written website and communications report, a copy of which is attached, and discussed announcements regarding water impoundment and property concerns.

MEETING SCHEDULE

The Board concurred to hold its next meeting on Tuesday, March 17, 2026, at 4:00 p.m.

There being no further business to come before the Board, the meeting was adjourned.

  
Secretary, Board of Directors



ATTACHMENTS TO THE MINUTES

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