

COUNTY LINE SPECIAL UTILITY DISTRICT

Meeting Minutes

Board of Directors Meeting – January 22, 2026 at 6:30 P.M.

District Office-8870 Camino Real, Umland, Texas 78640

Board Members Present:

Toni Brewer

Tracy Scheel (Director Scheel left the meeting early)

Rebecca Moore

Earl Sparks

Robert Diaz

Hunter Schuler

William Ilse

Others Present:

Mike Gershon with Lloyd Gosselink Rochelle & Townsend, P.C. (CLSUD Legal Counsel)

David Klein with Lloyd Gosselink Rochelle & Townsend, P.C. (CLSUD Legal Counsel) (Via Teams)

Samantha Tweet with Lloyd Gosselink Rochelle & Townsend, P.C. (CLSUD Legal Counsel) (Via Teams)

Leonard Dougal with Jackson Walker LLP (Plum Creek Utility)

Bill Fry with Plum Creek Utility-OMMS-BVRT

Johnathan Baker with HCS Technical Services

Brud Brown with Kelley Brown Land Service

Shawn Crawford with Kimley-Horn (Via Teams)

Michael (Via Teams)

Humberto Ramos, County Line Special Utility District Staff

France Alston, County Line Special Utility District Staff

Tracie Crowell, County Line Special Utility District Staff

Karina Ortega, County Line Special Utility District Staff

Farah Najdawi, County Line Special Utility District Staff

Tiffeny Howe, County Line Special Utility District Staff

Macey Schneider, County Line Special Utility District Staff

The following represents the actions taken by the Board of Directors (Board) of the County Line Special Utility District (CLSUD). The Board of Directors convened in a meeting at the date, time and location stated above.

A. CALL TO ORDER. Director Brewer called the meeting to order at 6:30 P.M.

B. ROLL CALL. Quorum of the Board was present, with Directors Brewer, Diaz, Scheel, Moore, Sparks, Ilse and Schuler in attendance.

C. PUBLIC COMMENT. Public comment was made during the discussion of Item E.4 below by Bill Fry with Plum Creek Utility Company (retired in December but remained in the role as consultant) and Leonard Dougal with Jackson Walker LLP.

D. CONSENT AGENDA:

D.1 Consider and take action to approve the minutes of the December 16, 2025 regular Board meeting. Director Scheel made a motion to approve the December 16 board of director's meeting minutes. Director Diaz seconded the motion, and the motion passed unanimously. 7 Aye, 0 Nay.

E. ITEMS FOR ACTION OR DISCUSSION/DIRECTION:

E.1 Discuss, consider and take action to memorialize cancellation of the Public Hearing on the Results of the Independent Financial Audit of Impact Fees in accordance with Texas Local Government Code §395.059 scheduled for January 21, 2026. David Klein with Lloyd Gosselink Rochelle & Townsend, P.C. discussed this item. This item is needed to memorialize the fact the Public Hearing on the Results of the Independent Financial Audit of Impact Fees in accordance with Texas Local Government Code §395.059 scheduled for January 21, 2026 did not happen because the board was unable to establish a quorum for the meeting and had to reschedule the board meeting to January 22, 2026. No board action was needed; this item was just to announce the public hearing was not held.

E.2 Discuss, consider, and take action on Order Setting a Public Hearing on the Results of the Independent Financial Audit of Impact Fees in accordance with Texas Local Government Code § 395.059. David Klein with Lloyd Gosselink Rochelle & Townsend, P.C. discussed this item. This item is needed to reschedule the Public Hearing originally scheduled for January 21, 2026. It was recommended that the meeting be scheduled for March 18, 2026 at 6:30 p.m. Mr. Klein stated a motion to approve is needed. Director Scheel made a motion to approve. Director Sparks seconded the motion, and the motion passed unanimously. 7 Aye, 0 Nay

E.3 Discuss, consider, and take action regarding Board of Directors expense reimbursement and fees of office. Mike Gershon with Lloyd Gosselink Rochelle & Townsend, P.C. discussed this item. At the July 2025 Board meeting, the Board was briefed on the subject matter of expense reimbursement and fees of office and took action to adopt a resolution establishing fees of office that went into effect as of that July Board meeting. However, the Board had not formally approved the fees of office prior to July 2025. To follow up on that outstanding issue, CLSUD conducted an internal review of bookkeeping and other internal records regarding fees of office paid prior to July 2025 looking back three (3) years. The internal review looked back retrospectively and was conducted by France Alston and Mike Gershon. The conclusion of that audit

is that the fees of office paid are less than the statutorily authorized daily and annual caps for each Director. The purpose of this agenda item is for the Board to be briefed on the audit and to have an opportunity to take action authorizing the fees of office as required by statute. The fees are \$75.00 per board meeting and at a rate of \$25.00 per hour for the type of business that the statute allows you to collect a fee of office for like attending other meetings on behalf of County Line Special Utility District. This item is to codify something that we cannot find record of and the way we did business up to that point but cannot find record of ever putting it in writing, we want to codify that this was done correctly. Director Scheel made a motion to approve our policy and our amendments for reimbursement and fees of office and to approve the resolution regarding the Board of Directors expense reimbursements and fees of office. Directors Sparks and Diaz seconded the motion, and the motion passed unanimously. 7 Aye, 0 Nay

E.4 Discuss, consider, and take action concerning the 2025 Rate Adjustment Application submitted by Plum Creek Utility Company, LLC pursuant to the Amended and Restated Wholesale Wastewater Service Agreement Between Plum Creek Utility Company, LLC and County Line Special Utility District.

Bill Fry with Plum Creek Utility Company (retired in December but remained in the role as consultant) and Leonard Dougal with Jackson Walker LLP and legal counsel for Plum Creek Utility Company made a Public Comment regarding this item. They handed out a letter dated January 22, 2026, from Shilen Patel with Plum Creek Utility Company to the Board of Directors. They feel everything was done to satisfy the Amended and Restated Wholesale Wastewater Services Agreement which establishes the process by which Plum Creek Utility is entitled to seek an adjustment in the rates they charge for wholesale wastewater services and are concerned that the board of directors is considering denying the proposed rate increase. Their request is that the agenda item be tabled until everyone has had the opportunity to sit down and discuss the rate increase further. Mr. Dougal stated that the City of Mustang Ridge was faced with the same kind of rate issue for their retail customers and they recently approved the rate increase. The same rate is under consideration of the Public Utility Commission (PUC) and the Office of Public Interest Council in a settlement for a rate that is also consistent with the rate they are asking CLSUD to approve. The increase will be a staged increase, meaning they wouldn't go for the full rate that was requested with the PUC. The rate increase that is being requested is \$88.00 per customer, per month, plus a \$5.00 per customer charge per month that is paid to CLSUD for a total of \$93.00. The current rate that was put into effect in 2023 is \$75.00 per customer, plus \$5.00 per customer paid to CLSUD for a total of \$80.00. The previous rate was \$65.00 plus the \$5.00 paid to CLSUD for a total of \$70.00. The rate increase was originally proposed on December 2, 2025.

David Klein with Lloyd Gosselink Rochelle & Townsend, P.C. discussed this item during Executive Session. After the meeting left Executive Session and returned to open session, Director Sparks made a motion to take action to reject the proposed rate increase and direct the staff and legal counsel to communicate this in accordance with the instructions discussed in the executive session. Director Diaz seconded the motion, and the motion passed unanimously. 6 Aye, 0 Nay

E.5 Discuss, consider, and take action to amend 2024 Interlocal Agreement between City of San Marcos and County Line Special Utility District for Edwards Aquifer Water. This item was tabled, did not have the Agreement at meeting time.

E.6 Discuss, consider, and take action to amend 2024 Amended Water Supply Agreement for surface water from City of San Marcos. This item was tabled, did not have the Agreement at meeting time.

E.7 Discuss, consider, and take action to engage Kimley-Horn and Associates, Inc. (KH) to provide engineering services for the 16-inch water main project along Farmers Road and Misty Lane. Farah Najdawi with County Line Special Utility District (CLSUD) discussed this item. CLSUD is planning the design and construction of a 16-inch water main along Farmers Road, from FM 2720 to Misty Lane, and along Misty Lane to the existing 12-inch water main south of SH 21. This project is identified in the 2025 CLSUD Water Master Plan and is intended to improve system reliability by providing looping, redundancy, and distribution capacity to support future developments within the District's CCN area south of SH 21. Also, the proposed water main will serve as a secondary ARWA (Alliance Regional Water Authority) delivery point if the planned GBRA-TX130 water supply (2419 AF) is not delivered to the booster station by 2027. The proposed improvements will also replace existing substandard 2-inch and 3-inch water mains on Farmers Road that is currently serving the area. Kimley-Horn and Associates, Inc. (KH) submitted a proposal to provide comprehensive engineering services for this project, including environmental review, survey, geotechnical investigation, coordination with Cobb, Fendley & Associates, Inc. for easement acquisition, permitting, and full design (60%, and 100%), bidding support, and construction phase services. The proposed scope also includes coordination with regulatory agencies and preparation of record drawings upon project completion. Engagement of Kimley-Horn would allow CLSUD to advance this critical infrastructure project in support of planned growth and long-term system resilience. In the absence of condemnation proceedings, the task order anticipates an overall project duration of approximately 27 months, consisting of a 12-month design phase, up to 3 months for easement and land acquisition closeout, and an estimated 12-month construction phase. The total fee is \$1,347,900.00 with optional supplemental services totaling \$93,800.00. If all supplemental services are authorized, the total project cost will be \$1,441,700.00. All fees will be funded through developer impact fee-eligible funds, and supplemental services will be used only as needed. Director Schuler was hesitant to approve this since CLSUD does not have a guarantee that development will happen soon, Director Scheel feels this is necessary so when development does happen, the infrastructure is in place to serve them. Humberto Ramos said this infrastructure could also be used to push water from Alliance Regional Water Authority (ARWA). The thought process was to include this within the impact fee projects, CLSUD has \$2,000,000.00 budgeted to get started with design. Any money expended by CLSUD can be reimbursed later with impact fees (up to ten (10) years). Director Scheel made a motion to approve action to engage Kimley-Horn and Associates, Inc. (KH) to provide engineering services for the 16-inch water main project along Farmers Road and Misty Lane. Director Diaz seconded the motion, and the motion passed. 6 Aye, 1 Nay.

E.8 Discuss, consider, and take action to ratify the Caldwell County Permit Fees for the Bobwhite pump station and ground storage tank project. Farah Najdawi with County Line Special Utility District (CLSUD) discussed this item. The Bobwhite Booster Pump Station (BPS) and 500,000-gallon Ground Storage Tank (GST) project include construction of a 2.8 million-gallons-per-day (MGD) booster pump station and a 500,000-gallon ground storage tank to receive treated water from the Guadalupe Blanco River Authority (GBRA) and convey water to the new FM 2720 water main. The project is being constructed by Prota, Inc., with an estimated construction cost of \$6,840,000.00. Construction is anticipated to start January 27, 2026, and is anticipated to be completed by April 2027. This infrastructure project is improving system reliability and supporting future growth within the District's service area. On January 7, 2026, CLSUD received approval from Caldwell County for construction permits associated with the Bobwhite BPS and GST project, located at 717 Bobwhite Road, Lockhart, Texas. Caldwell County Permit No. 01911442.010R was issued and accepted for construction, with permit fees totaling \$59,150.00, which were paid in December 2025. Directors Sparks, Scheel and

Schuler all expressed concern that this fee was paid prior to board approval, going forward, the board would like for these types of things to be on the agenda and approved prior to being paid. Humberto Ramos stated the fee was paid to avoid delays in the project. Caldwell County bases the permit fee on construction costs, but Ms. Najdawi is not sure of their methodology to determine the fee. Director Schuler asked why the board needs to approve this expense. Mike Gershon said the board adopted a policy with dollar thresholds delegating authority to the General Manager on matters that are budgeted versus matters that aren't budgeted and thresholds to the board president. There are statutory thresholds for which the district must take certain actions. Director Scheel made a motion to ratify the Caldwell County permit fees for the Bobwhite pump station and ground storage tank project. Director Diaz seconded the motion, and the motion passed unanimously. 7 Aye, 0 Nay

E.9 Discuss, consider, and take action to amend inspection service task order for FM 2720 water and wastewater main project with TEC Consulting. Farah Najdawi with County Line Special Utility District (CLSUD) discussed this item. CLSUD is currently completing construction of the FM 2720 water and wastewater mains improvement project. TEC Consulting, LLC (TEC) has been providing construction management and inspection (CMI) services for this project under an existing task order. As construction progresses toward completion, additional inspection and construction management services are required to support the remaining scope of work. TEC Consulting has submitted a Second Amendment to the inspection services task order to provide part-time inspection and part-time construction management services for the estimated remaining duration of the project. Based on coordination with the contractor, Lowden Excavation, the anticipated project completion date is February 1, 2026, and the amendment is structured accordingly. The original task order was in the amount of \$82,740.00, with a first amendment of \$19,700.00. This proposed amendment includes approximately three (3) weeks of services, consisting of 75 hours of inspection services and 15 hours of construction management services, for a total additional fee of \$14,490.00. The proposed rates include mileage and per diem and are consistent with TEC's contractual rate structure. With this amendment, the total cost for inspection services on this project will be \$116,930.00. Approval of this amendment will allow CLSUD to maintain adequate oversight and inspection coverage through project completion and ensure that construction is completed in accordance with contract documents and District standards. The installation of the wastewater line is complete; they are working on the punch list items now. Director Scheel made a motion to amend inspection service task order for FM 2720 water and wastewater main project with TEC Consulting in the amount of \$14,490.00. Director Sparks seconded the motion, and the motion passed unanimously. 7 Aye, 0 Nay

E.10 Discuss, consider, and take action to adopt an Order of Election for May 2, 2026.

Discutir, considerar y tomar medidas para adoptar una Orden de Elección para el 2 de mayo de 2026.

Mike Gershon with Lloyd Gosselink, Rochelle & Townsend, P.C. discussed this item. Our next Directors' Election is May 2, 2026 and two (2) seats on the Board of Directors are up for election, Place 2 and Place 5. The terms are for three (3) years.

- Timeline of key statutory requirements:

January 14, 2026 – First day that candidates may submit an *Application for a Place on the Ballot* and an *Appointment of Campaign Treasurer*.

[each application must use District's form and be notarized, filed with the District, and acknowledged by Board Secretary; it is acceptable for each candidate to appoint themselves as their campaign treasurer]

February 13, 2026 at 5:00 PM – Final deadline to submit completed, notarized *Application for a Place on the Ballot* and *Appointment of Campaign Treasurer* and adopt Order of Election (need polling places from County, which may require subsequent amendment of this order).

February 18, 2026 – Next regularly scheduled Board meeting and deadline for write-in candidates to submit a *Declaration of Write-in Candidacy* to the District.

March 18, 2026 – Regularly scheduled Board meeting at which we can timely cancel the election if unopposed and notify the Counties that we can cancel the election services contracts.

Director Scheel made a motion to adopt an order of election for May 2, 2026. Director Schuler seconded the motion, and the motion passed unanimously. 7 Aye, 0 Nay

E.11 Discuss, consider, and take action regarding Election Services Contract with Hays and Caldwell Counties. Mike Gershon with Lloyd Gosselink, Rochelle & Townsend, P.C. discussed this item. County Line Special Utility District must enter into election services contracts with Hays County and Caldwell County for the District's election. If each candidate for office is unopposed after the filing deadline, then the Board may timely cancel the election and cancel the election services contracts. The contracts will be signed if the District knows they will hold an election. Director Scheel made a motion to delegate authority to Mr. Ramos to negotiate election services contract with Hays County and Caldwell County, if applicable. Director Diaz seconded the motion, and the motion passed unanimously. 7 Aye, 0 Nay

E.12 Discuss, consider, and take action regarding an arrangement or agreement regarding City of Kyle interest in relocating County Line Special Utility District's existing easements and infrastructure to accommodate Kyle's Bunton Creek Road and Kyle Parkway-Lehman Road bond projects. Mike Gershon with Lloyd Gosselink Rochelle & Townsend, P.C. discussed this item. This item is to enter into an agreement with the City of Kyle in good faith. The City of Kyle is advancing 2022 bond projects along Bunton Creek Road and Kyle Parkway-Lehman Road to enhance transportation capacity. During the design phase of the project, it was identified that County Line Special Utility District (CLSUD) has an existing 12-inch water transmission line laid within private easements where the proposed new roadway is to be constructed. This transmission line is connected to the Brooks Well which provides Edwards Water to CLSUD customers. City of Kyle presumed CLSUD would be comfortable with them paving over our private easements and waterlines. Under the proposed agreement, the City of Kyle would be responsible for the design, easement acquisition, and construction costs associated with relocating the waterline, while CLSUD would retain ownership, operation, and long-term maintenance of the relocated facilities upon acceptance. The Kyle City Council approved up to \$100,000.00 which was proposed by the mayor. The attorney for the City of Kyle drafted the agreement and Mr. Gershon has reviewed and redlined the proposed agreement in a way to protect CLSUD. Director Scheel would like to table this item because of fears the new mayor of Kyle will not agree to these terms and will change the agreement. Director Sparks

is concerned over the amount approved by the Kyle City Council, feels that amount is not sufficient and the agreement should not have a cap amount. Director Sparks made a motion to approve an arrangement or agreement regarding City of Kyle interest in relocating our existing easements and infrastructure to accommodate their Bunton Creek Road and Kyle Parkway-Lehman Road bond projects as stated, but as articulated and redlined and make sure work is not to begin until it's locked in where we don't lose any access to service. Director Schuler seconded the motion, and the motion passed unanimously. 7 Aye, 0 Nay

E.13 Discuss, consider, and take action regarding CRWA's proposed amendments to Amended and Restated Regional (Hays/Caldwell Counties Area) Water Supply and Treatment Contract provided in furtherance of settlement of City of San Marcos v. CRWA, Maxwell Special Utility District (SUD), Crystal Clear SUD, County Line SUD and Martindale Water Supply Corporation, Cause No. 25-0782-CV-E (Guadalupe County District Court). This item was discussed in Executive Session. No action was taken in Executive Session or when the meeting returned to open session.

E.14 Discuss, consider, and take action regarding above-referenced lawsuit initiated by City of San Marcos in Cause No. 25-0782-CV-E. This item was discussed in Executive Session. When the meeting returned to open session, Director Sparks made a motion to direct legal counsel to take action on the unanswered questions regarding Cause No. 25-0782-CV-E. Director Moore seconded the motion, and the motion passed unanimously. 6 Aye, 0 Nay

E.15 Discuss, consider, and take action authorizing the acquisition of the following easements and property in support of the District's water pipeline infrastructure projects. Humberto Ramos stated we did get the EDC Easement. No action needed or taken on this item.

A. Cotton Gin Road Easements:

- a. Tract 1
- b. Tract 2
- c. Tract 2A
- d. Tract 2C.

F. REPORTS- The Board of Directors will receive reports regarding the following.

F.1 Wastewater Treatment Plant Report. Bill Fry with Plum Creek Utility-OMMS-BVRT reported on this item. Mr. Fry reported 334 connections were made last year for a total of 1,435 active connections. Two (2) of the connections were commercial, Poco Loco Super Mercado and Spanish Retail Center/Whataburger. The plant is in compliance. The South Plant (WRRF3) is constructed, complete and ready to receive waste as soon as construction of the wastewater line is completed. Pump and Haul is currently being utilized for the Bollinger Subdivision until the waste can flow to the new WRRF3. Director Schuler asked why the proposed rate increase is so high. Mr. Fry said Cities can offset costs with tax money, but Plum Creek Utility cannot tax, the only way to recoup costs is through rate increases. The rate is based off actual costs of operations and carrying costs. Per the agreement, every odd year a rate adjustment application will be sent out. Developers pay impact fees, but these fees cannot be used to build facilities, but it is used to offset the rate and is used when calculating rates. The original rate was \$65.00 and then increased to \$75.00.

F.2 Project(s) Management Report. Farah Najdawi with County Line Special Utility District reported on this item. See attached presentation.

F.3 Capacity Report. Humberto Ramos General Manager for County Line Special Utility District (CLSUD) reported the projected growth rate for 2025 was 845 LUEs (Living Unit Equivalents), but actual growth was only 453 LUEs leaving a difference of 392 LUEs. Current active LUEs are 6,727.2 and current reserve LUEs are 2,228.5. Water demand (active + reserve in acre feet) is 2,793.93. Current total water supply in acre feet (AF) is 3,493.71. Difference between the two is 699.77-acre feet or 2,257.3 LUEs. Director Moore is concerned CLSUD will not have enough water for future phases of development.

F.4 NSSA Tracking Report. Humberto Ramos with County Line Special Utility District reported no NSSAs (Non-Standard Service Agreements) were signed in the month of January. NSSAs being drafted are Kyle Wastewater Treatment Plant Expansion, 700 Bunton, Bollinger, S&P Uhland, Sunset Oaks Commercial, Hemphill Elementary School and Simon Middle School, Lovelady warehouse and duplexes; and Gristmill Retail Center. If signed, these NSSAs would generate 318 LUEs. Potential new service requests are for Kyle Estates, 1055 Camino Real and Prime Data Center. Collected the second half of water impact fees for TK Ranch in the amount of \$461,212.50. Director Moore would like to see at the next board meeting, NSSAs that have been signed and how many phases remain in the project and how many LUEs each phase consists of to make sure there is enough capacity to accommodate all the projects.

F.5 Financial Report. France Alston with County Line Special Utility District reported on this item. No questions were asked on the Balance Sheet. No checks were out of the ordinary. Other income was received from Plum Creek Utility in the amount of \$15,000.00 for reimbursement of expenses for the CCN Amendment to include the Highlands at Gristmill into County Line’s Wastewater CCN. Total revenues for December were \$1,187,821.62; total expenses for December were \$1,108,171.47; and total net income for December was \$79,650.15. The budget for 2025 was larger than what was spent.

The following line items were moved in the budget to cover some of the expenses, so it doesn’t look like they are all in the negative. The bottom line of the budget was not changed.

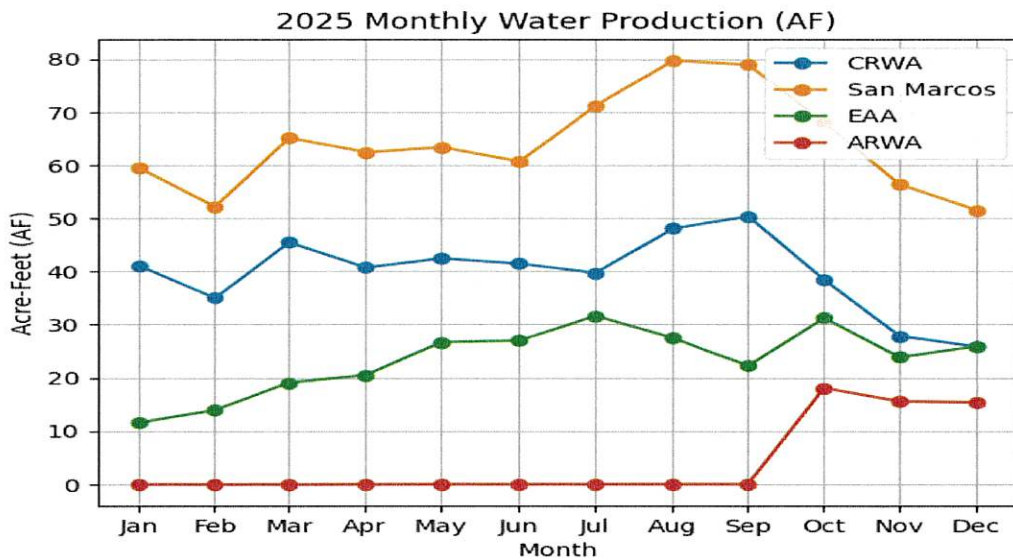
ORIGINAL LINE ITEM	MOVED TO LINE ITEM	AMOUNT
5020	5025	\$405,138.27
5040	5035	\$176,463.82
5060	5065	\$17,832.40
5015	5068	\$21,566.38
5060	5080	\$66,609.22
5050	5068	\$308,485.22
5020	5085	\$12,356.28
5055	5170	\$760.70
5024	5230	\$6,144.42
5240	5250	\$56,475.57
5256	5257	\$3,930.41
5270	5280	\$2,680.45
5270	5290	\$8,940.00
5430	5240	\$1,838.40
5510	5530	\$1,956.44
5560	5570	\$8,444.89
5835	5280	\$45,122.83

An item will need to be added to the February Agenda regarding the above line-item changes for the board to approve the changes.

F.6 Production & Operation(s) Report. Humberto Ramos with County Line Special Utility District (CLSUD) reported in the month of December, two (2) leaks were repaired, both were two (2) foot sections. The first was on December 9, 2025, on Alvarez Lane, 1,500 gallons were lost and the second was on December 15, 2025, on Tucson Trail, minimal water was lost. Flushing accounted for 17,800 gallons of water. Mr. Ramos announced Derrick Turley, the Operations Manager, resigned after working for CLSUD for eight (8) months and Tiffeney Howe has temporarily taken over the position. Mr. Ramos also addressed the sagging ceiling, doors not closing properly and worsening cracks in the main building. Contractors have been engaged to come in and inspect the building and provide their suggested path forward and estimated costs.

DATE	CRWA			SAN MARCOS			EAA			ARWA		
	TOTAL MONTHLY PRODUCTION AF	PRODUCTION DAILY AVERAGE AF	PRODUCTION PEAK DAY MG AF	TOTAL MONTHLY PRODUCTION AF	PRODUCTION DAILY AVERAGE AF	PRODUCTION PEAK DAY AF	TOTAL MONTHLY PRODUCTION AF	PRODUCTION DAILY AVERAGE AF	PRODUCTION PEAK DAY AF	TOTAL MONTHLY PRODUCTION AF	PRODUCTION DAILY AVERAGE AF	PRODUCTION PEAK DAY AF
	1058 AF -646.91AF			1690 AF			291.418 AF CLSUD (241.096) AF			500 AF SM (413.644) AF	219 AF	
JAN-25	40.959	1.321	2.000	59.441	1.917	2.378	11.608	0.374	0.646	0	0	0
FEB-25	34.979	1.128	1.571	52.214	1.865	2.237	13.934	0.498	0.793	0	0	0
MAR-25	45.446	1.456	1.745	65.170	2.102	2.563	19.065	0.615	1.103	0	0	0
APR-25	40.691	1.313	1.546	62.446	2.082	2.437	20.480	0.683	0.910	0	0	0
MAY-25	42.402	1.368	2.191	63.375	2.044	2.354	26.657	0.860	1.030	0	0	0
JUN-25	41.418	1.381	1.719	60.715	2.024	2.394	26.965	0.899	1.206	0	0	0
JUL-25	39.666	1.280	2.179	71.226	2.296	3.103	31.622	1.020	1.378	0	0	0
AUG-25	48.036	1.550	2.624	79.714	2.571	3.376	27.421	0.884	1.289	0	0	0
SEP-25	50.295	1.677	2.535	78.867	2.629	3.097	22.229	0.741	0.991	0	0	0
OCT-25	38.370	1.238	1.482	68.089	2.196	2.418	31.206	1.006	1.218	18.092	0.584	0.700
NOV-25	27.810	0.927	1.123	56.385	1.879	2.219	23.832	0.822	1.172	15.602	0.520	0.592
DEC-25	25.810	0.833	1.123	51.514	1.717	2.194	25.887	0.835	1.129	15.422	0.496	0.574
YTD	475.882	1.290	1.820	769.156	2.110	2.564	280.905	0.770	1.072	49.116	0.134	0.700

SOURCE	UNIT	PERMITTED WITHOUT REDUCTION	REDUCED TO	USED TOTAL	REMAIN
CRWA	AF	1308	1058	475.882	582.118
CLSUD (Well #1 Edwards)	AF	76.212	46.337 40% reduction	153.461	-107.124
CLSUD (Well #2 Edwards)	AF	215.206	130.845 40% reduction	127.444	3.401
SAN MARCOS EDWARDS	AF	500	304 40% reduction	107.124	196.876
ARWA- Online 10-1-2025	AF	219	NO REDUCTION	49.116	164.884
SAN MARCOS	AF	1680		769.158	910.842
TOTAL =				1575.061	1858.121



F.7 General Manager's / CRWA, GBRA and ARWA Report. Humberto Ramos, General Manager for County Line Special Utility District reported on this item.

General Manager Report

- Continue working with various developers within CLSUD CCN. Will hold Impact Fee Study meeting with residential developers, commercial developers and data center representatives February 5th. Scott Miller is the point of contact for the residential developers.
- Regional meetings (see below CRWA & ARWA Report)
- Continue working with Plum Creek County Groundwater Conservation District ensure compliance with dewatering permit.
- Hays County Commissioner Debbie Ingalsbe and Hays County staff requested updated reimbursement cost and easement cost for the Cotton Gin relocation line project.
- Working with Chris Ekrut (New Gen) and France to close out 2025 financial status of CLSUD. Working with Chris, France and staff to develop and monitor 2026.
- Working on a winterization/emergency plan to prepare for the upcoming freezing weather.
- Inserts were placed in the January bills informing customers of the two upcoming vacant seats on the CLSUD board. This information was also placed at the front door and on the District's website.

City of Uhland Meeting(s)

- Working with LG on CLSUD Franchise Agreement response. No update from the City of Uhland on this matter.
- Staff attended the Jan 5th Special City Council meeting and will attend the January 15th City Council Meeting. No update

City of San Marcos

- Received email from City of San Marcos on January 8, 2026, agreeing to extend water leases (surface and Edwards groundwater) for two more years.

City of Kyle

- LG working with City of Kyle attorney to address "interlocal agreement" regarding relocation of water lines for Bunton Creek Rd and Lehman Road projects.

BVRT

- BVRT submitted a Sewer Rate adjustment in April to take into effect in 2026 as per our Agreement. CLSUD along with New Gen Strategies reviewed the rate adjustment request and will present it to the CLSUD Board in January 2026.
- Working with LG to address comments from BVRT on the Draft Reuse Agreement.

Caldwell County Flood Mitigation Plan

- Caldwell Mitigation Plan will be meeting with mitigation consultants on January 15th to discuss CLSUD projects in relation to mitigation plan.

CAPCOG-CEDS (COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY) Caldwell County Meeting

- No update.

Update on CRWA, ARWA and GBRA

Update on Hays Caldwell Water Treatment Plant -CRWA

- At the January 12, 2026 CRWA BOT, CRWA GM reported:
 - Hays Caldwell Pipeline (Reedville pipeline)
 - Approximately 4,000 linear feet of pipeline has been installed.
 - Contractor is on schedule to complete construction on schedule
 - Ground Storage Tank
 - Used 512 days of 401 days contract time, which equals 127.7% of available contract time expended. CRWA will provide at next meeting why the delays.
 - Pall Mobile Membrane Filtration Unit
 - Coordination with TCEQ is ongoing to satisfy additional agency requirements.
 - The 2nd rental unit is currently in operation.
 - Pilot Study
 - Operation of the pilot studies has been completed.
 - Consultant is currently compiling data.

CRWA BOT -Meeting held on January 12, 2026, of concern were:

Item 8 General Business

- A. Discuss, consider, and take possible action on Resolution 26-01-004 ratifying the action of the General Manager in approving Change Order No. 3 in the amount of**

\$4,968.88. This item was approved and it was for furnishing and installment of flashing for ozone equipment.

- C. Discuss, consider, and take possible action on amending the CRWA Board of Directors administrative policies to include a policy on hiring past and present appointed CRWA Board Members and hiring past and present appointed CRWA Board Member immediate family members at CRWA. (Mr. Ramos) This item was tabled until next meeting so the attorneys can review proposed language.

Item 12 Executive Session

- A. Consultation with CRWA's attorney(s) concerning Cause No. 25-0782-CV-E; City of San Marcos vs. Canyon Regional Water Authority, County Line Special Utility District, Crystal Clear Special Utility District, Maxwell Special Utility District and Martindale Water Supply Corporation; Pending in 456th District Court of Guadalupe County, Texas.
- B. Consultation with CRWA's attorney(s) concerning execution of an extension to the employment.

GBRA/Gonzales Carrizo Water Supply Project

- Recall CLSUD is contracted for 2,419 AF or 27.63% of total project-water is to be delivered by February 2027.
 - The groundwater permit was denied at the June 10th Gonzales County Underground Water Conservation District (GCUWCD).

As of January 5, 2026, following is the update to the project: Booster Pump Station (BPS) continues with construction. Electrical conduit around the site have been the main focus. BPS building concrete footers and stem wall have been poured. GST subcontractor onsite starting this month. Contractor started on the first delivery point. Eastern pipeline continues construction. Northern Pipeline clearing is complete. Bores have begun with two crossings complete.

No update on the permit status with GCUWCD.

GBRA Water Secure Supply Project- GBRA will be holding a January meeting with the potential utilities from the table below to discuss comments received for the Water Secure Supply Project agreement and provide an update. CLSUD along with LG forwarded comments on Dec. 1st received GBRA responses by Jan. 6th.

Utility/Entity	Entity Type
Kyle	City
Lockhart	City

Seguin	City
Buda	City
Goforth SUD	SUD
Maxwell SUD	SUD
GVSUD	SUD
County Line SUD	SUD
SHSUD	SUD
Martindale WSC	WSC
Wimberley WSC	WSC
Texas Water Co	IOU
Camino Real Utilities	IOU
Aqua TX	IOU

Alliance Regional Water Authority (ARWA) BOT- Next meeting will be January 28th. Discussion will center around cost projections for the expansion project and ways to mitigate and/or finance.

Region L – Awaiting approval of the 2026 Region L Regional Water Plan from TWDB. Efforts for the next 2031 Region L Regional Water Plan will take place on February 5, 2026.

F.8 President’s Report. Director Brewer did not have anything to report.

F.9 General Counsel’s Report. Mike Gershon with Lloyd Gosselink Rochelle & Townsend, P.C. gave his report during executive session.

G. BOARD MEMBER ITEMS OR FUTURE AGENDA ITEMS. The following items were requested to be added to future agendas.

Director Shuler would like to add an agenda item to discuss County Line Special Utility District’s continued involvement in wastewater services. Director Sparks supported this suggestion.

Director Shuler and Director Moore want to add an item approving the reallocation of budget line items amendments. Directors Brewer and Diaz seconded the motion.

Director Schuler and Director Ilse want to add an item to discuss high employee turnover. Director Brewer seconded the motion.

Director Shuler wants to add an item to discuss posting board meeting recordings on the District's website. Director Brewer seconded the motion.

Humberto Ramos wants to add an item to discuss increasing the deposit amount on new water account applications.

H. EXECUTIVE SESSION. The meeting entered executive session at 8:49 p.m. to discuss Items E.4, E.13, E.14 and F.9 above. Director Moore read the following "County Line Special Utility District reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (consultation with attorney), 551.072 (deliberations about real property), 551.074 (personnel matters), 551.076 (deliberations about security devices), and 551.087 (deliberations regarding economic development negotiations), or as otherwise authorized by law." No action was taken during executive session. Left executive session at 9:50 p.m.

I. ADJOURNMENT. Director Sparks made a motion to adjourn the meeting. Director Diaz seconded the Motion, Motion passed unanimously. 6 Aye, 0 Nay. Meeting was adjourned at 9:55 P.M.



Date 2/18/26

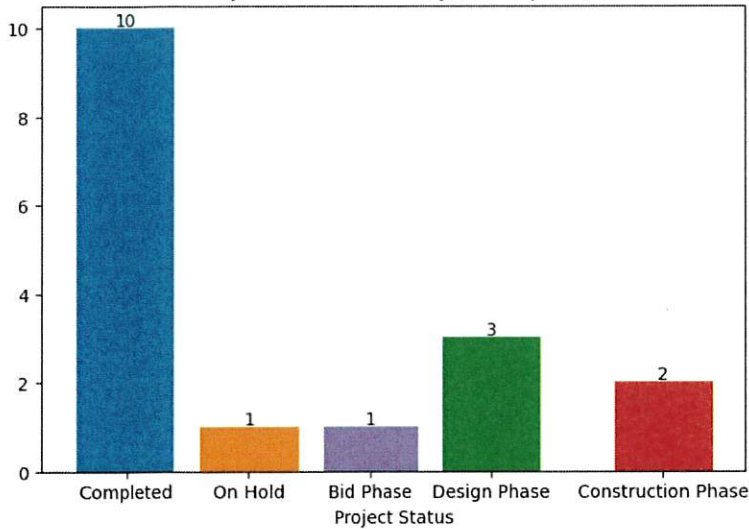
Toni Brewer
County Line SUD, Board President

Project(s) Management Report

Farah Najdawi
January 22, 2026

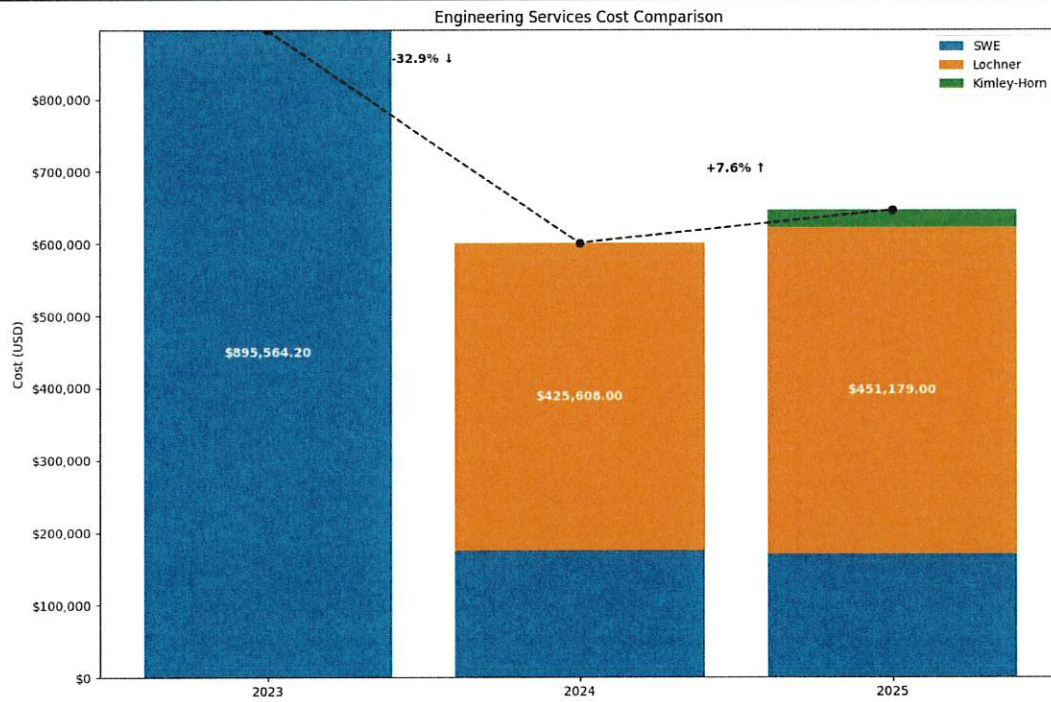
Recap 2023-2025 | Impact fees Projects

Total Cost: \$17,318,122.35
Project Status Summary (17 Projects)



Item #	Project Name	Status
1	FM 2720 Water Line Extension to Bollinger Ph1	Completed
2	Reuse Booster Station	Completed
3	SH 21 Waterline to COSM	Completed
4	SH 21 BS Tie-in	Completed
5	Well No. 2 Pump Replacement	Completed
6	Porter Creek Lift Station and Force Main	Completed
7	Reuse Water Line Extension	Completed
8 9	FM 2720 Water Line Extension to Plant Site Ph2 &3	Ph2: Construction Phase Ph3: Design Phase
10	Bobwhite Booster Station	Bid Phase
11	High Road BS Tie-in	Completed
12	Misty Lane Elevated Tank	On hold
13	Cotton Gin Road Water Line Relocation	Design Phase
14	Farmers Road Water Line Extension	Design Phase
15	FM 2001 Water Line Relocation	Completed
16	Porter Creek Gravity Main	Completed
17	FM 2720 Wastewater Main	Construction Phase

Recap 2023-2025 | Engineering Fees



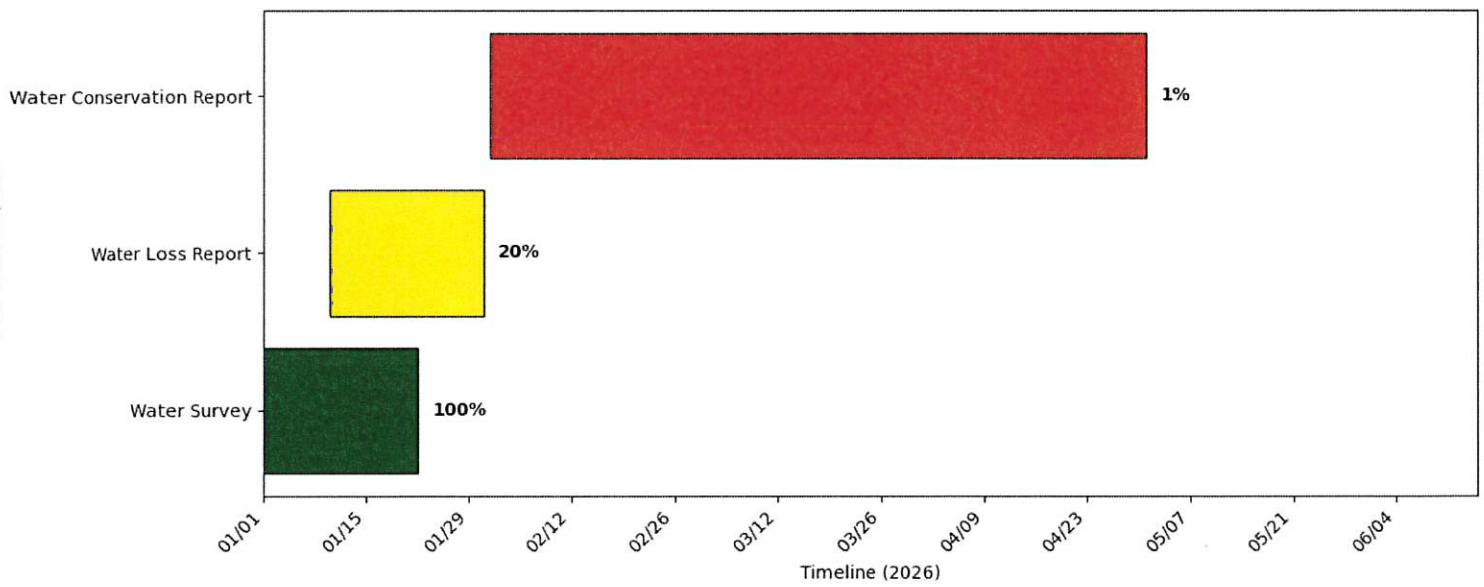
Projects Overview | 2026- Ongoing

	Project Name	Assign to	Type	Project Status	Completion Date
1	Lead and Copper Line inventories	CLSUD	Other	Ongoing	Dec-2027
2	TCEQ Reports	CLSUD	Water	Ongoing	Dec-2029
3	TWDB Reports	CLSUD	Water	Ongoing	May-2026
5	Diamond Map Improvement	CLSUD	Other	Ongoing	Dec-2027
6	RRA and ERP	KHs	Other	Ongoing	Dec-2026
7	Water Master Plan	KFA/Lochner	Water	Completed	Dec-2025
8	Bobwhite Pump Station and GST	KFA/Lochner	Water	Bid/Contract	Apr-2027
9	Cotton Gin Rd. Ph. 2 Water Relocation	KFA/Lochner	Water Relocation	Ongoing Design	Oct-2026
10	City of Kyle-Kyle PWK and Lehman Rd	KFA/Lochner	Water Relocation	Ongoing Design	Dec-2026
11	Bunton Creek Road –City of Kyle	KFA/Lochner	Water Relocation	Ongoing Design	Apr-2027
12	Caldwell County- Rocky Road Realignment at SH21	-	Water Relocation	Predesign	Fall-2026
13	Caldwell County- FM2720 Realignment at Gristmill Road	-	Water Relocation	Predesign	Fall-2026
14	Reuse Water Retail Dispensary	KFA/Lochner	Water	Onhold	Jun-2026
15	FM2720 Water Main (Phase 3)	KFA/Lochner	Water	Ongoing Design	Dec-2026
16	FM 2001 Water Line Relocation	SWE	Water	Completed	May-2025
17	FM 2720 Water Main (Phase 2)	SWE	Water	Ongoing Construction	Feb-2026
18	FM 2720 Wastewater Main	SWE	Wastewater	Ongoing Construction	Feb-2026

TWDB Reports

January 1, 2026-May 1, 2026

2026 TWDB Reports



CLSUD Projects Budget Tracking

Project	Duration	Start	Finish	Cost Breakdown	BTD
Lead and Copper Line Inventories	Ongoing	Oct-2023	Ongoing	Contractor	YTD
Diamond Map Improvement	Ongoing	Mar-2025	Ongoing	GIS Analyst	YTD

Budgeting for the Design Phase Lochner Projects

Oct 1, 2025- Nov 1, 2025

Project	Assign to	Original Engineering TO	Approved Amendment TO	Current Engineering TO	Billed to Date	BTF	% Complete
Water Master Plan	KFA	\$199,978.00	-	\$199,978.00	\$199,978.00	-	100%
Bobwhite PS and GST	KFA	\$657,318.00	-	\$657,318.00	\$500,922.71	\$156,395.29	76.2%
Cotton Gin Water Line Relocation (Ph 2)	KFA	\$353,205.00	-	\$353,205.00	\$238,397.00	\$124,988.00	67%
FM2720/Bobwhite-24" Water Main PH3	KFA	\$361,003.00	\$38,415.00	\$399,418.00	\$ 326,809.10	\$72,608.90	81.82%
Wastewater CIP	KFA	\$39,675.00	-	\$39,675.00	\$34,650.00	\$5,025.00	87%

General Service Agreement (Lochner)

Oct 25, 2025 - Nov 21, 2025

#	General Engineering Services	Provided Services	BTD(\$)
1	Project Management & Administration	Billing, admin coordination, task setup, LG coordination	\$ 8,087.50
2	Meetings	Planning, updates, board, onsite engineering meetings	\$ 2,624.35
3	City of Kyle WWTP Expansion	Follow up with the COK	\$ 1,872.50
4	Uhland Whataburger	NSSA review, WW and water studies follow-up	\$ 331.25
5	700 Bunton Phase 1B	NSSA review, WW and water studies follow-up	\$ 2,733.75
6	Bollinger Phases 5 & 6	NSSA review, WW and water studies follow-up	\$ 3,738.75
7	Pecan Woods	NSSA review, WW and water studies follow-up	\$ 9,487.50
8	Simon & Hemphill Schools	Meeting	\$ 237.50
9	CLSUD District Boundary	Coordination with CLSUD and LG	\$ 2,585.00
10	Longhorn Stucco	NSSA review, WW and water studies follow-up	\$ 132.50
11	Lantana Phase 2	NSSA review, WW and water studies follow-up	\$ 5,037.50
12	Bobwhite C store	NSSA review, WW and water studies follow-up	\$ 1,501.25
13	Gonzalez 8 Acres	NSSA review, WW and water studies follow-up	\$ 2,213.75
14	Data Center known as Austin Assemblage	Meetings	\$ 132.50
15	Kyle Parkway and Lehman Road	Plan & easement review, utility coordination, 60% utility coordination meetings	\$ 265.00
16	SH 21 Gas Station	NSSA review, WW and water studies follow-up	\$ 530.00
17	Schmeltekopf Condemnation on Cotton Gin Road	NSSA review, WW and water studies follow-up	\$ 795.00
18	3905 Cotton Gin Road	NSSA review, WW and water studies follow-up	\$ 1,185.00
19	S&P Uhland	NSSA review, WW and water studies follow-up	\$ 520.00
20	Wayside Phase 2 Lift Station	NSSA review, WW and water studies follow-up	\$ 132.50
21	High Road GST Reactivation	Review submittals and follow up with STV, TCEQ and CLSUD staff	\$ 132.50
Total			\$ 44,275.60

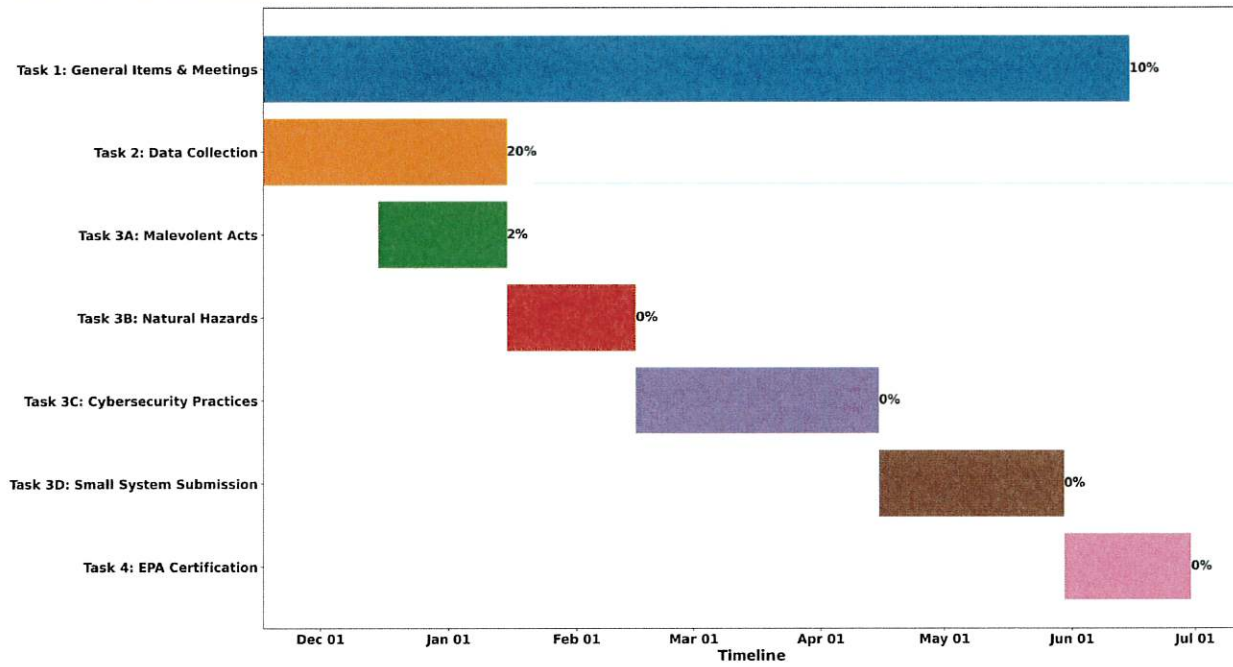
General Service Agreement (Lochner)

Nov 22, 2025 to Dec 26, 2025

1	Project Management & Administration	Billing, admin coordination, task setup, LG coordination	\$ 8,263.75
2	Meetings	Planning, updates, board, onsite engineering meetings	\$ 8,628.75
3	The Grove Area	Water impact fee study coordination and follow-up	\$ 1,126.25
4	Caldwell Valley	NSSA review, WW and water studies follow-up	\$ 5,120.00
5	Wayside Phase 4	NSSA review, WW and water studies follow-up	\$ 265.00
6	Niemann Farm Site Request	NSSA review, WW and water studies follow-up	\$ 1,060.00
7	Bollinger Phases 5 & 6	NSSA review, WW and water studies follow-up	\$ 810.00
8	700 Bunton Phase 1B	NSSA review, WW and water studies follow-up	\$ 1,871.25
9	Pecan Woods	NSSA review, WW and water studies follow-up	\$ 2,201.25
10	Lantana Lift Station – Pump Selection	Pump submittal review and analysis	\$ 2,053.75
11	Gonzalez 8 Acres	NSSA review, WW and water studies follow-up	\$ 777.5
12	CLSUD District Boundary	Coordination with CLSUD, LG, and PUC	\$ 9,107.50
13	Kyle Parkway and Lehman Road	Plan review and coordination	\$ 66.25
14	Lantana Phase 2	NSSA review, WW and water studies follow-up	\$ 132.5
15	Schmeltekopf Condemnation on Cotton Gin Road	Condemnation support and review	\$ 596.25
16	Request Info	Consultation regarding the proposed case installation from the City of Umland	\$ 728.25
17	Exclusions to 1038 Scope of Work	Coordination and meeting support	\$ 310.00
18	Grist Mill Retail Center	NSSA review, WW and water studies follow-up	\$ 5,545.00
19	Misty Lane Tank Joint Concurrence Letter	Technical review and concurrence letter	\$ 1,192.50

Risk & Resilience Assessment (RRA-KH)

Dec 1, 2025- Jun 30, 2026



General Service Agreement (KH)

Oct 1, 2025 – Nov 30, 2025

#	General Engineering Services	Provided Services	BTD(\$)
1	GEN LABOR AND MEETINGS	Billing, admin coordination, task setup, Review water construction notes, and COU meetings	\$ 16,477.50
2	DBKH LLC BOBWHITE C STR	NSSA review, WW and water studies follow-up	\$ 3,195.00
3	UHLAND MIDDLE SCH CAMP	NSSA review, WW and water studies follow-up	\$ 1,112.50
4	FM 2720 INDUSTRIAL	NSSA review, WW and water studies follow-up	\$ 2,960.00
5	EXPENSES	VEHICLE MILEAGE	\$ 162.40
		Total	\$ 23,907.40

Under Construction Projects (SWE)

Task Name	Duration	Start	Finish	%	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half				
FM 2720 Water Main - Segment 2	440.88 days	Tue 6/25/24	Tue 3/3/26	84%																				
Design	100 days	Tue 6/25/24	Tue 11/12/24	100%																				
Bidding	15.88 days	Wed 9/25/24	Wed 10/16/24	100%																				
County Permitting	53 days	Wed 9/25/24	Fri 12/6/24	100%																				
Award	2.88 days	Thu 10/17/24	Mon 10/21/24	100%																				
Contract Execution & NTP	25 days	Tue 10/22/24	Sun 11/24/24	100%																				
Construction	215 days	Mon 11/25/24	Fri 9/19/25	100%																				
FM 2720 Wastewater Main	545 days	Wed 1/31/24	Tue 3/3/26	80%																				
Easement Acquisition	173 days	Fri 2/2/24	Tue 10/1/24	100%																				
Survey	22 days	Tue 2/20/24	Wed 3/20/24	100%																				
Additional Survey	1 day	Thu 4/25/24	Thu 4/25/24	100%																				
Design	108 days	Fri 4/26/24	Tue 9/24/24	100%																				
Bidding	16 days	Wed 9/25/24	Wed 10/16/24	100%																				
County Permitting	53 days	Wed 9/25/24	Fri 12/6/24	100%																				
Award	3 days	Thu 10/17/24	Mon 10/21/24	100%																				
Contract Execution & NTP	25 days	Tue 10/22/24	Sun 11/24/24	100%																				
Construction	321 days	Mon 11/25/24	Mon 2/16/26	85%	CO1:Bore under TX Cas Services and KM gas lines, CO# 3 Rock Excavation,CO#4 Injection Por																			
Record Drawings	152 days	Mon 8/4/25	Tue 3/3/26	10%																				



Budgeting for the Design/Bid/Construction Assistance Phase (SWE)

Nov 1, 2025- Dec 1, 2025

Project	Assign to	Original Engineering TO	Approved Amendment TO	Current Engineering TO	Billed to Date	BTF	% Complete
Gristmill Reuse Line	SWE	\$137,500.00	\$31,000.00	\$168,500.00	\$168,500.00	-	100%
FM 2720 Wastewater Main	SWE	\$250,000.00	\$26,000.00	\$276,000.00	\$267,133.18	\$8,866.82	96.7%
FM 2720 Water Main	SWE	\$315,840.00	-	\$315,840.00	\$351,495.25	(\$35,655.25)	111%
Misty Lane Elevated Storage Tank	SWE	\$160,000.00	-	\$160,000.00	\$151,969.60	\$8,030.00	95%
FM2001 Water Line Relocation	SWE	No TO	-	No TO	\$ 41,856.74	-	-
Bobwhite Rd Water Line Esmt Acquisition	SWE	\$15,000.00	-	\$15,000.00	\$15,014.50	-	100.1%
Cotton Gin Water Line Relocation Ph 2 Esmt Acquisition	SWE	\$97,000.00	-	\$97,000.00	\$101,772.50	-	104.9%
Porter Creek Lift Station and Force Main	SWE	\$35,500.00	-	\$35,500.00	\$35,500.00	-	100%

Budgeting for the Construction Phase (SWE)

Nov 1, 2025- Dec 1, 2025

Project	Contractor	Contractor Bid	Change Orders	Current Cost	Billed to Date	BTF	% Billed
Reuse Plant	TTE	\$1,379,000.00	(\$7,348.00)	\$1,371,652.00	\$1,371,652.00	\$0.00	100%
Porter Creek Gravity Main	EVT	\$879,586.79	\$0.00	\$879,586.79	\$879,586.79	\$0.00	100%
Gristmill Reuse Line	Travis Hobbs	\$169,350.00	(\$4,120.00)	\$165,230.00	\$165,230.00	\$0.00	100%
Porter Creek Lift Station	Alterman	\$1,193,600.00	\$2,366.00	\$1,195,966.00	\$1,195,966.00	\$0.00	100%
FM 2720 Water & WW Mains	Lowden	\$3,499,893.10	\$206,820.36	\$3,706,713.46	\$3,354,155.04	\$352,558.42	90.5%
FM 2001 Water Line	Nelson Lewis	\$79,780.00	(\$28,394.32)	\$51,385.68	\$51,385.68	\$0.00	100%

General Engineering Services (SWE)

Nov 1, 2025- Dec 1, 2025

General services with Task Orders	Provided Services	Budget	
		Original T.O	BTD
Sewer CCN Amendment	Amended sewer CCN /publishing	\$20,000.00	\$2,747.50
Total		\$2,693.75	

Budgeting for W/WW inspection services

Jul 1, 2025-Dec 30, 2025

Project	Inspector	Total Project Budget	Billed to Date	BTF	% Complete
Reuse Plant	Robert Dial	\$Hourly	\$5,495.00	N/A	N/A
Gristmill Reuse Line	Robert Dial	\$13,920.00	\$6,500.00	\$7,420.00	47%
FM 2001 Water Line	Robert Dial	\$9,850.00	\$2,170.00	\$7,680.00	22%
FM 2720 WW and Water Main (Ph2)	TEC	\$102,440.00	\$92,470.00	\$9,970.00	90.3%
Misty Lane EST	TEC	\$66,240.00	\$2,750.00	\$63,490.00	4.2%
Cotton Gin Water Line Relocation (Ph 2)	Doucet	\$226,125.00	\$2,070.00	\$224,055.00	0.01%