

Minutes of Regular Meeting
Northeast Texas Municipal Water District
Board of Directors
February 02, 2026 – 10:00 a.m.

The Board of Directors of the Northeast Texas Municipal Water District met in an open meeting on Monday, February 02, 2026, at 10:00 A.M. The meeting was held at Northeast Texas Municipal Water District's Executive Office located at 4180 Farm Road 250, Hughes Springs, Texas 75656. Notice of the meeting was legally posted. A quorum was present. An opportunity was provided for public comments before any action was taken by the Board of Directors.

Present: Jack Salmon - City of Avinger
 Laura Mabey - City of Daingerfield
 Robyn Shelton - City of Hughes Springs
 George Otstott - City of Jefferson
 Dennis Hammond - City of Lone Star
 Jimmy E. Cox - City of Ore City
 Patrick Smith - City of Pittsburg

Staff: Osiris Brantley - NETMWD
 Dominik Sobieraj - NETMWD
 Aracely Reyes - NETMWD

Guest: Andrew Arnold - Arnold, Walker, Arnold & Co.

President Jimmy Cox called the meeting to order at 10:00 a.m. Jack Salmon gave the invocation. Mr. Cox led the directors in the pledge of allegiance to the United States and Texas flags. Public comments were made.

On a motion by Robyn Shelton and a second by Jack Salmon, the minutes of the December 29, 2025, meeting were approved. Motion carried, all voting aye.

Andrew Arnold with Arnold, Walker, Arnold & Co., P.C., highlighted the Fiscal Year End 2025 Financial Audit. The District's assets had a balance of \$44.8 million, while the net position increased by \$3 million. Mr. Arnold reported a clean audit and complimented the District. On a Motion by Patrick Smith and a second by George Otstott, approval of the Fiscal Year 2025 audit was made. Motion carried, all voting aye.

Dennis Hammond made a motion to approve the monthly investment report and the financial reports for all current accounts and funds, including the three-month review of LOPSS expenses based on actual water production for October, November, and December 2025. Laura Mabey seconded the motion. Motion carried, all voting aye. Jack Salmon made a motion to pay an annual limit of \$1,500 for TWA sponsorships. Dennis Hammond seconded the motion. Motion carried, all voting aye. Patrick Smith made a motion to pay invoices for professional services. Robyn Shelton seconded the motion. Motion carried, all voting aye.

Patrick Smith made a motion to approve employee health, dental, vision, and disability insurance. George Otstott seconded the motion. Motion carried, all voting aye.

Robyn Shelton made a motion to approve the Water Storage Agreement for the Luminant Monticello Winfield South Mine including the authorization to pay the annual storage fee. Laura Mabey seconded the motion. Motion carried; all voted aye, except Patrick Smith, who voted no.

Dennis Hammond made a motion to affirm and support the district's opposition to a watermaster appointment, as outlined in the response letter prepared by the general manager to TCEQ's letter regarding a watermaster evaluation for Cypress Creek and the Sulphur River Basin. George Otstott seconded the motion. Motion carried, all voting aye.

Dominik Sobieraj gave the Operations Manager report:

- Raw water quality is good. Alum dosages are stable between 47mg/l and 67mg/l.
- Pittsburg water treatment plant
 - Finished TCEQ routine inspection
 - January 9th storm damaged the roof at the water treatment plant.

- Insurance adjuster estimated claim value under the deductible.
- Contracting local repairs to address and prevent further damage.
- Tanner Water Treatment Plant and Systemwide Activities
 - Replacement for the damaged 24-inch mag flow meter on the raw water main at Tanner Plant has been ordered.
 - Gathering quotes and RFPs on several capital improvement projects.
 - Electrical work for raw water pump #3/vfd #3.
 - PLC/network/computers at Tanner Plant.
 - New tractor
 - Chlorine bay and chlorine feed system.
 - Fiber upgrades on the South Side.
 - Avinger/Jefferson pumps/valves VFD Conversion.
 - Valve & Pipe replacement.
 - Recommendation to award bid to SGL Utility Contractors at \$132,615.00.
 - Electrical Upgrades.
 - Recommendation to award bid to James D. White Electric at \$91,800.00.
 - VFD Pump to replace pumps 3 & 4.
 - Pump & VFD electrical installation
 - Recommendation to award bid to James D. White Electric at \$92,271.00.

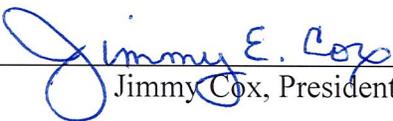
Patrick Smith made a motion to award SGL Utility Contractors the valve and pipe replacement bid, James D. White Electric the bid for electrical upgrades of the valve and pipe replacement, and James D. White Electric the VFD pump electrical installation bid. Dennis Hammond seconded the motion. Motion carried, all voting aye.

During the General Manager's report, Osiris Branlley updated the Board regarding the Texas Water Development Board Implementation Plan for Water Supply & Infrastructure Grants. She also informed the Board about the upcoming RRVA Conference on February 18-19, 2026, and the TWA Conference on March 11-13, 2026.

On a motion by Robyn Shelton and a second by Jack Salmon, the next meeting of the Board of Directors was set for February 23, 2026. Motion carried, all voting aye.

The Board of Directors meeting was adjourned at 11:18 a.m. on a motion by Jack Salmon with a second from George Otstott. Motion carried, all voting aye.

APPROVED:


Jimmy Cox, President

ATTEST:


Laura Mabey, Secretary/Treasurer