

CROSS TIMBERS WATER SUPPLY CORPORATION
MINUTES of the BOARD OF DIRECTORS MEETING
2032 E HICKORY HILL RD, ARGYLE, TX 76226
MONDAY, FEBRUARY 16, 2026

1. Call to Order

Mr. McDonald called the February meeting of the Board of Directors of Cross Timbers Water Supply Corporation to order at 7:00 p.m. on Monday, February 16, 2026, at the Cross Timbers Water Supply Corporation's offices, 2032 E Hickory Hill Rd, Argyle, TX 76226.

Directors in Attendance:

Patrick McDonald, President
Garry Granger, Vice President
Michael Paulson, Secretary-Treasurer
Andre Nicholas
Michael Kuehler
Gary Brittain

Staff in Attendance:

Chad Wolf, General Manager
Pradip Patel, Controller
Karen Lambert, Billing Coordinator

Consultants in Attendance:

None

Others in Attendance

None

Board Members Not in Attendance

Sherry Price

2. Public Forum for Non-Agenda Items – No one spoke.

Consent Agenda

3. Discussion and Action to Approve the Minutes of January 19, 2026, Board Meeting

4. Discussion and Action to Approve the January 2026 Financial Report

Motion by Andre Nicholas and second by Garry Granger to approve the Consent Agenda. Motion approved unanimously.

5. Discussion and Action on Orchid Hill well / pump station loan

Mr. Patel discussed the updated term letters received from InterBank, SouthState Bank and Texas Security Bank, going over the revised interest rates and collateral requirements given by each. The board discussed the options available, and it was proposed that a final decision be made at the next board meeting. No action needed.

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6. Discussion and Action on the General Manager's Report

Mr. Wolf informed the board that the CoServ contractor did not arrive on January 22 as scheduled, instead showing up on the 23rd with no notification. The contractor installed the new 600-amp transformers and service line. Per the pre-construction meeting with CoServ, the power service was to be installed overhead, however the service was changed to underground due to the weight of the wire. This change was made without notification to staff or Kerry Maroney. After completion of the work, staff discovered the transmission box had been installed on the wrong property. Following delays due to weather and discussions with CoServ, they are now scheduled to relocate the transmission box to our property on February 23rd. Staff continue to coordinate with THI and the electrician to complete the wiring and have the meter set. Mr. Wolf let the board know that DFS has installed the new panel at Stonewood and the system is now connected. DFS is currently programming the new booster drive, and the station is expected to be fully operational later this month. Mr. Wolf updated the board on the Aune Ranch property, letting them know that the developer and Upper Trinity had resolved their dispute regarding the easement crossing and that the developer had completed the bore under Copper Canyon Road and will have tied into our 12" water main by the time of this meeting. Lastly, Mr. Wolf discussed with the board the ice storm that impacted the area over the weekend of January 24th, letting them know that the office had been closed on January 26th due to safety concerns for front staff and members. He informed the board that the office did reopen at noon on January 27th, and let the board know that the stations operated well throughout the weekend, with field staff and Mr. Wolf reporting to work on Monday to observe that the extreme cold caused some elevation gauges to freeze. Staff addressed the issues as well as repairing a leak on Hyatt Street. He told the board that the team performed exceptionally well during the storm and that following the event, an after-action meeting was held to review the response and identify ways to improve preparedness for similar situations in the future. No action needed.

7. Discussion and Action on Future Agenda Items, Meeting Date, Activities and Announcement

The next meeting date will be March 9, 2026, and the agenda will include financials, Annual Meeting items, well/pump station construction, commercial insurance renewal, emergency preparedness and other items as may be required.

8. Adjournment

Motion to adjourn by Michael Paulson and second by Andre Nicholas and approved unanimously. The meeting was adjourned at 7:25 p.m.

TRANSCRIBED BY Karen Lambert, Billing Coordinator

CERTIFIED BY Michael Paulson, Secretary-Treasurer