**MINUTES OF THE BOARD OF DIRECTORS
OF THE DALLAS COUNTY PARK CITIES
MUNICIPAL UTILITY DISTRICT
HELD 9:00 A.M., TUESDAY, AUGUST 12, 2025
AT 1811 REGAL ROW, DALLAS,
DALLAS COUNTY, TEXAS**

**ITEM I
ADMINISTRATIVE PROVISION
V.T.C.A §49.100**

NOTICE OF MEETING. §49.063

The notice of the meeting was posted, Tuesday, August 5, 2025, at 1:00 p.m. and remained posted until Tuesday, August 12, 2025 at 12:00 p.m.

MEETING CALLED TO ORDER §49.064

The meeting was called to order by Mr. James Cornelius, President of the Board of Directors.

ROLL CALL

Directors Attending
James Cornelius, President
Neil Harris, Vice-President
Mike McKenzie, Secretary
Jack Denman, Director
Charles R. Biddle, Director

Others Attending
Hector Ortiz, General Manager

CONSIDER MINUTES OF PREVIOUS MEETING(S) §49.065

A regular meeting of the Board was held on June 10, 2025. Meeting minutes were included in the Board packet. A motion was made by Randy Biddle to approve the minutes. This motion was seconded by Mike McKenzie. All directors voted aye.

**ITEM II
POWERS AND DUTIES
V.T.C.A. §49.200**

1. CONSIDER RESOLUTION ADOPTING THE FY2026 INVESTMENT AND COLLATERAL POLICY

Hector Ortiz presented the Investment and Collateral policy for Board approval. He noted that Hilltop Securities reviewed the policy and indicated that no changes were needed. A motion was made by Jack Denman to approve the resolution adopting the FY2026 Investment and Collateral policy as presented. The motion was seconded by Mike McKenzie. All directors voted aye.

ITEM III
FISCAL MATTERS
V.T.C.A §49.300

1. CONSIDER AGREEMENT FOR UPDATE TO THE AMERICAN WATER INFRASTRUCTURE ACT RISK AND RESILIENCY ASSESSMENT

Hector Ortiz presented a draft agreement with CDMSmith for $131,000 for the 5-year update to the Risk and Resiliency and Emergency Response Plans for Board consideration. Hector Ortiz told the Board that he was still negotiating this fee and asked the Board for up to $50k to do this work as this should be a relatively quick update. The Board decided not to approve the agreement and directed the General Manager to get the final agreement and determine whether the new fee was fair. If a fair fee cannot be negotiated, the Board would like Hector Ortiz to engage another engineering firm. The agreement will be considered in September.

2. CONSIDER AGREEMENT FOR UPDATES TO THE AMERICAN WATER INFRASTRUCTURE ACT CYBERSECURITY RISK AND RESILIENCY ASSESSMENT

Hector Ortiz asked the Board to consider an agreement with Signature Automation to in the amount of $32,700 for updates to the Cybersecurity Risk and Resiliency Assessment. Hector Ortiz noted that Signature Automation is working with the District to update all our operations and business systems, therefore they would be the best qualified firm to perform this work since they are familiar with all of our systems. A motion was made by Mike McKenzie to approve the agreement. Jack Denman seconded the motion. All directors voted aye.

3. CONSIDER AGREEMENT FOR DISTRICT'S NETWORK UPGRADE

Hector Ortiz presented an agreement with Signature Automation in the amount of $93,000 for business and operations network upgrades for Board consideration. Hector Ortiz noted that this agreement is related to previous work that was identified during the network evaluation and that staff had allocated $160,000 for this for FY2025. This work will increase reliability by adding fail-over capabilities to IT and the OT networks as well as increase security within the systems. Hector Ortiz informed the Board that we need approximately $1M over the next 3-4 years to complete the master plan. A motion was made by Jack Denman to approve the agreement with Signature Automation. The motion was seconded by Mike McKenzie. All directors voted aye.

ITEM IV
MANAGEMENT REPORTS

1. A status report of projects underway or completed was included in the Board packet for review.

2. A list of major invoices paid last month was included in the Board packet for review.

3. Budget Summaries were included in the Board packet for review.
   Jack Denman asked why salaries were off from projections. Hector Ortiz e-mailed the Board to let them know that was due to shift differential and overtime not accounted for in the budget projections. Hector Ortiz added that the FY2026 budget has these projections included so these totals should be much closer.

4. Cashflow Reconciliation Report was included for Board review.

5. Balance Sheet was included in the Board packet for review.

6. TexPool statements were included in the Board packet for review.

ITEM V
ADJOURNMENT

A motion was made by Neil Harris to adjourn the meeting and seconded by Mike McKenzie. All directors voted aye.

PASSED AND APPROVED THIS THE 9th DAY OF September, 2025

DALLAS COUNTY PARK CITIES
MUNICIPAL UTILITY DISTRICT

Michael D. McKenzie, Secretary

James S. Cornelius, President

DALLAS COUNTY PARK CITIES MUNICIPAL UTILITY DISTRICT DALLAS COUNTY TEXAS