

**MINUTES OF THE BOARD OF DIRECTORS
OF THE DALLAS COUNTY PARK CITIES
MUNICIPAL UTILITY DISTRICT
HELD 9:00 A.M., TUESDAY, MARCH 10, 2026
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, March 3, 2026, at 10:00 a.m. and remained posted until Tuesday, March 10, 2026 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
Mike McKenzie, Secretary
Neil Harris, Director
~~Jack Denman, Director~~
Randy 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 February 10, 2026. 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 UPDATES TO THE DISTRICT BYLAWS

Hector Ortiz presented updates to the purchasing section of the District Bylaws. Section 49.273 of The Texas Water Code was updated in 2023. The General Manager suggested updates to page 8 of the bylaws to include increasing the

General Manager's purchasing authority from \$10,000 to \$15,000, increasing the requirement for 3 competitive bids on uniform specifications from \$25,000-\$150,000 to \$75,000-150,000 and increasing the required amount for advertisement from \$75,000 to \$150,000. A motion was made by James Cornelius to approve the changes to the District Bylaws. The motion was seconded by Neil Harris. All directors voted aye.

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

1. CONSIDER AGREEMENT WITH MCKIM CREED (FORMERLY SIGNATURE AUTOMATION) FOR FY2027 TECHNOLOGY UPDATES

Hector Ortiz presented the scope and fee for McKim and Creed to assist in technology updates scheduled for FY2026. These upgrades will update network switches from unmanaged to managed switches which will increase security. In addition, fiber network updates will be carried out to increase speed and redundancy in the fiber network. A motion was made by Mike McKenzie to approve the scope and fee for McKim and Creed in the amount of \$275,000, pending further negotiations. The motion was seconded by James Cornelius. All directors voted aye.

2. DISCUSSION ON THE FY2027 BUDGET

As District staff begins to plan the FY2027 budget, Hector Ortiz asked the Board for feedback on the COLA for this year as well as an employer match into the 457b voluntary retirement plan. Hector Ortiz recommended a 2% COLA along with a 2% District match into the 457b plan. Neil Harris asked how much these increases would cost and Hector Ortiz said our payroll is around \$2M so this would cost approximately \$80,000. A motion was made by James Cornelius to approve a 2% COLA as well as a 2% employer match into the 457b plan. Mike McKenzie seconded the motion. All directors voted aye.

3. OTHER ITEMS

A. TCEQ VIOLATION SETTLEMENT

Hector Ortiz updated the Board on a TCEQ violation incurred as a result of an accidental chemical discharge into an adjacent creek. The total amount for the violation was \$10,001. Hector Ortiz presented a Board resolution appointing him as the legal signatory authority for the District per TCEQ requirements. A motion was made by James Cornelius to appoint Hector Ortiz, the General Manager, as the legal signatory authority for the District. Mike McKenzie seconded the motion. All directors voted aye.

B. BUDGET SPREADSHEETS

Hector Ortiz updated the Board on the budget spreadsheets update efforts. These were scheduled to be presented during the March meeting, but the presentation has been delayed until the April meeting.

C. CONSTRUCTION UPDATES

Filter underdrain project is scheduled to begin in March with removal of media and continue until late April when the filter caps will be installed and 100% GAC media loaded into the filters.

Clarifier B re-coating is complete, and clarifier will be back on-line next week.

Filter influent pipe project needed a \$14,500 change order to install flex couplings.

ITEM IV MANAGEMENT REPORTS

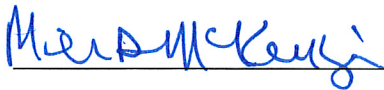
1. A status report of projects underway or completed was included in the Board packet for review.
2. A list of major invoices paid last month was included in the Board packet for review.
3. Budget Summaries for January and February were included in the Board packet for review.
4. Cash flow Reconciliation 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

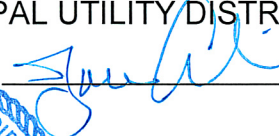
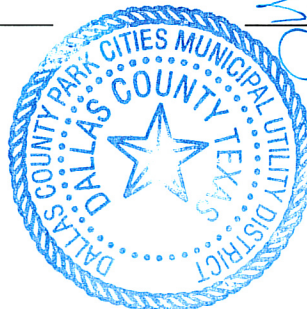
A motion was made by Neil Harris to adjourn the meeting, and Randy Biddle seconded it. All directors voted aye.

PASSED AND APPROVED THIS THE 14th DAY OF April, 2026

DALLAS COUNTY PARK CITIES
MUNICIPAL UTILITY DISTRICT



Michael D. McKenzie, Secretary



James S. Cornelius, President