

MINUTES OF
REGULAR MEETING
VARNER CREEK UTILITY DISTRICT
January 20, 2026

STATE OF TEXAS :

COUNTY OF BRAZORIA :

The Board of Directors of Varner Creek Utility District of Brazoria County, Texas convened in Regular Session on Wednesday, January, 2026, at 1st Capital Business Services office at 310 E Brazos Ave, West Columbia,77486, outside the boundaries of the district.

to-wit:

Keith Barker	President
Amy Neal	Treasurer
Jim Stubbs	Vice President
Jody Tielke	Secretary
Mark Hopkins	Director

Also, present were the following: Micheal Bendit, 1st Capital Business Services, LLC, Elliot Laporte; Resident. All Directors were present, thus constituting a quorum. The meeting was called to order at 9:30 AM

Minutes are presented in order of the stated agenda even though actual order of topics may be discussed out of agenda order.

A. Public comments: None

B. OPERATOR'S and SECURITY REPORT

1. Operator's Monthly report (see overall report)

- Bacterial samples taken
- Levy Inspection

Operator absent- no report, will report at February board meeting.

C. Engineer's Report

1. **12" water line replacement project-** working on bids for pump, can, and motor- received informal estimate (\$67.5k) from Matula Construction.

Jody Tielke made a motion to revise scope to exclude pump, can, and motor and was seconded by Mark Hopkins and the vote passed unanimously 5-0.

2. Update only and further discussion regarding planning for 2028 Bond projects.

Jody Tielke motioned to accept the overall Engineer's report and Amy Neal seconded the motion. The vote passed unanimously 5-0.

D. Sewer and water billing and collection reports

1. *A motion was made by Amy Neal and seconded by Jody Tielke to approve the cut-off date of 1/26/26, and overall water sewer report and the vote passed unanimously 5-0.*

E. LEGAL/FINANCIAL:

1. N/A
2. Land Purchase- *Motion by Keith Barker to continue land purchase of ~4.5 acres to exclude lagoon and levy and to include spillway and was seconded by Mark Hopkins and the vote passed unanimously 5-0.
Motion by Jody Tielke to continue maintenance easement with MJ Reddy and was seconded by Amy Neal and the vote passed unanimously 5-0.*
3. 2026-2027 Operator and Administrator Contracts- *Mark Hopkins made a motion to approve 2026-2027 Operator and Administrator contract(s) and was seconded by Amy Neal and the vote passed unanimously 5-0.*

F. ADMINISTRATORS REPORT

1. Micheal Bendit presented the Cash Balance Reports with the transfers and balances in the District's Operating, Capital Projects, and Debt Service accounts for the month of December 2025. *Motion to accept the report made by Jody Tielke, seconded by Amy Neal and the vote was unanimously approved 5-0.*
2. Budget Report/Income Statement: *Motion to accept the P&L Budget was made by Mark Hopkins and seconded by Amy Neal. The vote was unanimously approved 5-0.*
3. 2026 Budget Amendment- *After a review of District Expenses, a motion was made by Amy Neal and seconded by Mark Hopkins and the vote passed unanimously 5-0 to amend the budget line items:*
 - A. 6200-Purchased Sewer Services- \$368k from \$206k
 - B. 6320-Legal Fees - \$10k from \$20k
 - C. 6335.1- Labor- \$450k from \$520k
 - D. 6335.4 – Materials - \$60k from \$74k
 - E. 6335.7 – General Maint. - \$5k from \$35k
4. Micheal Bendit presented the list of checks prepared for the January 2026 invoices. *The checks total \$149,625.49 from the Operating fund and \$3,500.37 from Debt Service. Motion to pay the bills made by Jody Tielke, seconded by Mark Hopkins and the vote was unanimously approved 5-0.*
5. Minutes- *A motion was made by Amy Neal and seconded by Jim Stubbs to approve Meeting minutes from December 10th and December 17th and the vote passed unanimously 5-0.*
6. Tax Summary- *Mark Hopkins made a motion to accept the December 2025 Tax Summary and was seconded by Jody Tielke and the vote passed unanimously 5-0.*

H. There being no other business to come before the Board, Keith Barker made a motion to adjourn at 11:15 AM..

Micheal Bendit
District Administrator

(SEAL)