MINUTES OF
REGULAR MEETING & 2026 TAX RATE HEARING
VARNER CREEK UTILITY DISTRICT
September 16, 2026

STATE OF TEXAS :

COUNTY OF BRAZORIA :

The Board of Directors of Varner Creek Utility District of Brazoria County, Texas convened in Special Session (Tax Rate Hearing) on Wednesday, September 16, 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

Public Hearing

1. Public comment received by Elliot Laporte
2. *After receiving public comments and discussion, Jim Stubbs made the motion to adopt the total tax rate of 0.402518 / $100 valuation (0.118767 M&O / 0.283751 DS) – the motion was seconded by Mark Hopkins and the motion passed unanimously 5-0.*
3. *Keith Barker adjourned the Tax Rate Hearing and was seconded by Jim Stubbs. The motion carried 5-0 to adjourn @ 9:35 AM.*

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Also, present were the following: Micheal Bendit, 1st Capital Business Services, LLC; Morris Ryder, Ryder & Co LLC; Randy Liska, Baker & Lawson Engineering. All Directors were present, thus constituting a quorum. The meeting was called to order at 9:35 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 – all samples good.
- Levy Inspection- mowing levee
- Texas Tank Services cleaned ground storage tanks

Jim Stubbs made the motion to accept the Operators Report and was seconded by Amy Neal. The vote passed unanimously 5-0.

C. Engineer's Report

1. **TCEQ Road Powers Application-**
   A. Working with VCUD legal on application
   B. Working on proposal for geotechnical study of existing roads

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

Jim Stubbs motioned to accept the overall Engineer's report and Mark Hopkins seconded the motion. The vote passed unanimously 5-0.

D. Sewer and water billing and collection reports

1. *A motion was made by Jody Tielke and seconded by Amy Neal to approve the cut-off date of 9/23/26 and approve the overall August Sewer and water billing collection reports and the vote passed unanimously 5-0.*
2. *A motion was made by Jim Stubbs and seconded by Mark Hopkins to approve the write-off of $3,303.60 in uncollectible accounts and the motion passed unanimously 5-0.*

E. LEGAL/FINANCIAL:

1. **TCEQ Road Powers**- Update on application finalization
2. **Columbia Lakes Road Ownership**- VCUD Legal has determined that Billy Verkin owns all CL roads- no action taken
3. **2026-2027 FY Budget** – *After discussion and review of projected operating expenses and incomes for the District, a motion was made by Jim Stubbs to approve the proposed 2026-2027 Budget. The motion was seconded by Amy Neal and the vote was passed unanimously 5-0.*

4. **District Operator and Administrator Contracts FY 2026-2027-**
   After review of proposed contracts by the District Operator and Administrator, a motion was made by Mark Hopkins to authorize the board President to sign annual contracts with an increase to the Operator Monthly Service Contract. The motion was seconded by Jody Tielke and the motion 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 September 2026. *Motion to accept the report made by Mark Hopkins, 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 Jody Tielke and seconded by Mark Hopkins. The vote was unanimously approved 5-0.*
3. Micheal Bendit presented the list of checks prepared for the September 2026 invoices. *The checks total $188,390.35 from the Operating fund and $2,954.25 from Debt Service. Motion to pay the bills made by Amy Neal, seconded by Mark Hopkins and the vote was unanimously approved 5-0.*
4. *A motion was made by Amy Neal and seconded by Mark Hopkins to approve Meeting minutes from August 19th & August 25th 2026 and the vote passed unanimously 5-0.*
5. *A motion was made by Jody Tielke and seconded by Jim Stubbs to approve tax assessor report for August 2026. 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 11:16 AM..

Micheal Bendit
District Administrator

(SEAL)