



NAVARRO MILLS WATER SUPPLY CORP.

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June 2, 2025

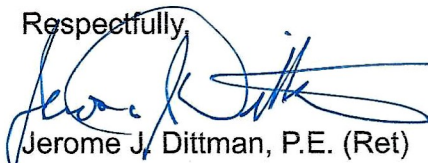
To the Members of the Navarro Mills Water Supply Corporation

At the May 15, 2025, regularly scheduled meeting of the Board of Directors, the Board authorized the expenditure of up to \$325,000 to design and install a new 10,000-gallon pressure tank at Plant 2 which is along FM 667. Installation of this pressure tank will ensure reliable and consistent water pressure for those members served by Plant 2 as well as compliance with Texas Commission on Environmental Quality requirements.

Our corporation currently has two outstanding US Department of Agriculture (USDA) loans. Both loans have relatively low interest rates but have 40-year terms. We still have 20 more years of payments to make, so the Board approved an early payment of \$10,000 on the smaller of the two loans which will reduce our interest burden long term. From time to time, as funding becomes available, the Board will continue to make additional principal payments to repay the loans early.

A Bylaws Committee was appointed to review and recommend changes to our 2011 Bylaws. This Committee will perform its work over the next few months, hopefully making its recommendations at the August Board meeting. Once the Board approves any revisions, the recommended revisions will be sent to the USDA for their concurrence. The final step in the process requires the approval of any Bylaws changes by our membership at a called election. This may be a special election or part of our annual election next April.

Respectfully,



Jerome J. Dittman, P.E. (Ret)
President