



LOWER BRUSHY CREEK WCID BOARD APPROVED POLICY

(Approved February 17, 2026)

ETHICS POLICY

This Ethics Policy (the “Policy”) is adopted by the Board of Directors of Lower Brushy Creek Water Control and Improvement District (the “District”) pursuant to Chapters 49 and 51 of the Texas Water Code.

ARTICLE I DEFINITIONS

The following terms and phrases used in the Policy shall mean the following:

- (a) The term “Board” means the Board of Directors of the District.
- (b) The term “Director” means a person elected or appointed to serve on the Board of Directors of the District.
- (c) The term “Employee” means any person employed by the District, but does not include independent contractors or professionals hired by the District as outside consultants.
- (d) The term “Records Administrator” means the director or other person responsible for maintaining the District’s records.
- (e) The term “Confidential Information” means any information mandated to be withheld from disclosure by the District under the Texas Public Information Act, Chapter 552 of the Texas Government Code.
- (f) The term “Discretionary Confidential Information” means any information the District has the discretion to disclosure under the Texas Public Information Act, Chapter 552 of the Texas Government Code.

ARTICLE II
CODE OF ETHICS

Section 2.01. **Purpose.**

This Policy has been adopted by the District for the following purposes: (1) to comply with Section 49.199 of the Texas Water Code, as it may be amended from time to time; (2) to encourage high ethical standards of official conduct by District Directors and Employees; and (3) to establish guidelines for such ethical standards of conduct.

Section 2.02. **Policy.**

It is the policy of the District that Directors and Employees shall conduct themselves in a manner consistent with sound business and ethical practices; that the public interest shall always be considered in conducting District business; that the appearance of impropriety shall be avoided to ensure and maintain public confidence in the District; and that the Board shall control and manage the affairs of the District fairly, impartially, and without discrimination.

Section 2.03. **Qualifications of Directors.**

A. In order to be qualified to serve as a director of a water control and improvement district, Section 51.072 of the Texas Water Code requires that a person be (1) be a resident of the state; (2) own land subject to taxation in the District or be a qualified voter in the District; and (3) be at least 18 years of age.

B. In addition to the qualifications referenced in this Section 2.03(A), a person shall not serve as a Director if they are disqualified by law from doing so pursuant to Section 49.052 of the Texas Water Code.

C. A Director is not qualified to serve on the Board if the Director simultaneously serves in another civil office, either elective or appointive, entitling the Director to compensation.

Section 2.04. **Removal of Directors.**

A. The Board, by unanimous vote of the remaining Directors, may remove a Director from the Board if that Director has missed one-half or more of the regular meetings of the Board scheduled during the prior twelve (12) months.

B. Within sixty (60) days after the Board determines that any Director is disqualified from serving on the Board, it shall replace such Director with a person who is not disqualified.

C. Any Director who is disqualified from serving on the Board under Section 2.03 of this Policy and who willfully occupies an office and exercises the duties and powers of that office, may be subject to penalties under Section 49.052 of the Texas Water Code including possible conviction of a misdemeanor and imposition of a fine.

Section 2.05. **Conflicts of Interest.**

A. A Director must not participate in a vote or decision relating to a business entity or real property in which they have a substantial interest unless (i) they have complied with Section 2.05(B) and (ii) the action on the matter will not have a special economic effect on the business entity or the value of the real property distinguishable from the effect on the public, or the majority of the Directors are likewise required to and do comply with Section 2.05(B) on the same official action. A Director must not act as a surety under circumstances when to do so is prohibited by Chapter 171 of the Local Government Code. Directors violating this Section may be subject to prosecution under Section 171.003, Local Government Code, as a Class A misdemeanor.

B. A Director who has a substantial interest in any matter involving the business entity or real property shall disclose that fact to the Board by affidavit. The affidavit must be filed with the Secretary of the Board. An interested Director shall abstain from further participation in the matter as set forth in Section 2.05(A) of the Policy.

C. The Board shall take a separate vote on any budget item specifically dedicated to a contract with a business entity in which a Director has a substantial interest. In the event of a separate vote, the Director may not participate in that separate vote, but may vote on a final budget if the Director has complied with this Section 2.05.

D. Chapter 176 of the Local Government Code requires the disclosure of certain relationships by Directors, the District General Manager, vendors, and certain prospective vendors to the District. A Director, the District General Manager, vendor, or prospective vendor who has a relationship that requires disclosure under Chapter 176 of the Local Government Code shall disclose that relationship by completing the form prescribed by the Texas Ethics Commission and timely filing such form with the Records Administrator. A Director violation of this Section may be subject to prosecution as a Class A, Class B, or Class C misdemeanor under Section 176.013 of the Local Government Code.

Section 2.06. **Nepotism.**

The District and Directors shall comply with all applicable anti-nepotism provisions enumerated in Chapter 573 of the Texas Government Code.

Section 2.07. **Acceptance of Gifts.**

A Director may not solicit, accept, or agree to accept any benefit from a person or business entity the Director knows is interested in or likely to become interested in any contract, purchase, payment, claim, or transaction involving the exercise of the Director’s discretion, or any matter before the Board for any decision, opinion, recommendation, vote, or other exercise of discretion in carrying out their official acts for the District as prohibited by Section 36.08 of the Texas Penal Code. This Section 2.07 does not apply to the acceptance of (i) an item with a value of less than \$50.00 (excluding cash or a negotiable instrument), (ii) food, lodging, transportation, or

entertainment accepted by the Director as a guest, or any other non-applicable gift listed in Section 36.10 of the Texas Penal Code.

Section 2.08. **Bribery.**

A Director shall not intentionally or knowingly offer, confer or agree to confer on another, or solicit, accept, or agree to accept from another, any benefit as consideration when to do so is prohibited by law under Section 36.02 of the Texas Penal Code. Violations of penal laws may subject a Director to criminal prosecution.

Section 2.09. **Acceptance of Honoraria.**

A Director shall not solicit, accept or agree to accept an honorarium as prohibited by Section 36.07 of the Texas Penal Code. Violations of penal laws may subject a Director to criminal prosecution.

Section 2.10. **Confidential Information.**

No Director shall disclose Confidential Information of the District acquired by reason of their position. No Director shall disclose Discretionary Confidential Information acquired by reason of their position absent agreement of the disclosure by the Board.

Section 2.11. **Use of District Facilities.**

Directors shall utilize District property, facilities, or equipment only for official District business.

Section 2.12. **Complaints and Enforcement.**

A. Any alleged violation of this Policy by a Director shall be submitted in writing to the remaining members of the Board, which allegation shall describe all relevant facts and circumstances. In the event the General Manager receives a written complaint that any conduct by a Director violates this Policy, then such complaint shall be forwarded to the remaining members of the Board for review and consideration at a special or regular meetings of the Board. Upon receipt of such a complaint, the Board shall take appropriate action based on the allegations, including without limitation, the following:

- i. The Board may request that the Director alleged to have breached this Policy respond to the allegations and take action or make findings based on the Director’s response or lack thereof;
- ii. The Board may appoint a committee and/or special counsel to conduct an investigation regarding the allegation and subsequently present a report to the Board regarding its findings and recommendations;

- iii. The Board may adopt an order making findings regarding the allegations, including a finding that the allegation has no merit, the Director has violated this Policy, or that the Director is disqualified from serving as a Director; or
- iv. The Board may refer the matter to any other entity having jurisdiction.

Section 2.13. **Effective Date.**

This Policy will become effective upon adoption by the Board of Directors.

APPROVED AND ADOPTED on this 17 day of February 2026.

By: Edmond S. Komandosky
Edmond S. Komandosky
Board President

ATTEST:

By: Monica P. Masters
Monica P. Masters
Board Secretary