

King Creek Water Supply Corporation

2025 Mail-In Ballot Form

Please refer to separate materials accompanying the ballot for the detail and supporting information on which you are casting your vote.

Directions: You have three (3) options to cast your vote:

1. Vote by Mail (if unable to attend in person)

- Mark your selections by marking your vote in the appropriate box below.
- Detach ballot and mail to:
 KCWSC, P.O. Box 60, Clifton, TX 76634
- ***Print your name and sign the backside of the envelope on the flap.*** This signed envelope will be used to validate your membership and establish a quorum. Envelopes will be opened and counted during the election at the meeting. ***Your signature is required in order for your ballot to be counted.***
- Mailed ballots must be received by **May 2nd** in order to be counted.

2. Vote in Person (at the Annual Meeting)

- The Annual Meeting will be held on Saturday, **May 3rd** at **10:30 AM** located at the well in King Creek.

3. Assign a Proxy (to vote on your behalf)

- Complete the PROXY form (provided separately) only if unable to vote by mail or attend in person. The proxy form must be dated and signed by you to be valid.
- The designated proxy holder must be a member of KCWSC.
- The proxy holder must attend the meeting in-person and present the proxy form for certification during voting check-in at Membership meeting. The proxy may be exercised only by the person named on the form.

Detach and return the section below

Sell King Creek Water Supply Corporation (KCWSC) to Central States Water Resources (CSWR)

CSWR has presented KCWSC with a Letter of Interest to purchase KCWSC for \$25,000 plus an additional \$150,000 to be directly invested into the improvements necessary to meet TCEQ regulations. CSWR owns and operates water and wastewater utilities serving more than 500,000 connections in eleven states.

The Board of Directors recommend "YES". CSWR has the internal and external resources that simply are not available to KCWSC to improve and operate our water system affordably and with the level of service we have grown to expect. In addition, the ever-increasing State and Federal regulations are a true burden that KCWSC membership is lacking the expertise and resources to maintain compliance. CSWR offers an economy of scale financially that KCWSC simply cannot obtain to deal with major issues, continued improvement, and expansion. Proceeds from the sale will be distributed to the members of KCWSC in accordance with KCWSC's By-Laws (up to 2 years to complete the sell and distribution).

YES – Proceed with selling KCWSC to CSWR

NO – Do not proceed with selling KCWSC to CSWR