

REID ROAD MUNICIPAL UTILITY DISTRICT NO. 1

Minutes of Meeting of Board of Directors

November 17, 2021

The Board of Directors (“Board”) of Reid Road Municipal Utility District No. 1 (“District”) met on November 17, 2021 at 11245 Harvest Bend Boulevard, Houston, Harris County, Texas, in accordance with the duly posted notice of said meeting, with a quorum of Directors present, as follows:

Patrick Cieslewitz, President
Carla Christensen, Vice President
Ed Swannie, Director

and the following absent:

Robert Sumpter, Secretary
Bob Brengel, Treasurer.

Also present were Ms. Robin Goin, tax assessor-collector for the District; Mr. Kim Cosco of Champions Hydro-Lawn; Mr. John Montgomery and Mr. Terry Fussell, District operators; Mr. Mason Mueller, District engineer; Sergeant Martinez of the Harris County Precinct 4 Constable’s office; Ms. Brittni Silva, bookkeeper for the District; Mr. Jonathan Roach, attorney for Reid Road MUD No. 2, as well as a quorum of the Board and other consultants of Reid Road MUD No. 2; and Ms. Melissa J. Parks, attorney for the District.

The President called the meeting to order and declared it open for such business as might regularly come before it. In the absence of Director Sumpter, Director Christensen was designated Secretary Pro Tempore and authorized to sign these minutes and attest other documents approved at the meeting.

1. Mr. Montgomery presented the joint sewage treatment plant operations report. It reflected 3,790 connections, no permit excursions, and plant operations at 42% of permitted capacity. Mr. Montgomery reported that work had been completed to repair the transfer pipe at aeration basin No. 3. The status of the transfer pipes in basins Nos. 1 and 2 will be checked after completion of biomonitoring and before March 1, 2022 to determine if similar repairs are needed. Delivery of a drum screen is not expected until February, 2022. A temporary drum screen provided by STP Services is currently in use. Mr. Montgomery described old and out-of-use blowers at the sewage treatment plant which he recommended the

Board consider declaring surplus and then approaching STP Services about an in-kind swap of these blowers in exchange for use of the temporary screen. Ms. Parks will place an item on the December agenda for Board consideration. After further discussion, upon motion by Director Christensen, seconded by Director Swannie, the boards voted unanimously to approve the operator's report as presented.

2. Further regarding plant operations, there was presented a proposal from Lupe Montoya doing business as Two Amigos Landscaping Lawn Maintenance to clean fence lines and trim trees at the joint sewage treatment plant site, as well as the Reid Road No. 1 water well site, the property at 11050 Broken Sky and the administration building at 11245 Harvest Bend. The boards reviewed the estimated cost for the work at each location and thereafter, upon motion by Director Christensen, seconded by Director Swannie, the boards voted unanimously to accept the proposals.

3. Ms. Silva presented the joint plant bookkeeper's report, copy attached. She reviewed the report, income and disbursements, and a budget comparison report for the first seven months of the fiscal year. After review of checks and further discussion, upon motion by Director Swannie, seconded by Director Christensen, the boards approved the bookkeeper's report and authorized payment of the checks listed thereon.

4. Mr. Mueller discussed engineering matters and reviewed a written report, copy attached. The engineers continue with design of repair work at storm and sanitary sewer outfalls adjacent to the sewage treatment plant. Mr. Mueller then discussed the memo presented last month recommending odor mitigation. The memorandum is currently under review by the District's operators, with whom Mr. Mueller will consult on the matter as well as with Reid Road No. 2's engineer, before reporting back to the Board. Thereafter, the Board voted unanimously to approve the engineer's report.

5. Sergeant Martinez reviewed a report on law enforcement activities that had occurred during the month.

6. Regarding property owner encroachments into the District plant site, Ms. Parks reported that a signed agreement had been received from the Martins, but no response had yet been received from the owner of 10410 Lazy Meadows Lane. Ms. Parks will continue to pursue this owner. Finally, the Board received information identifying the location from where four-wheelers were being driven onto the plant site. The Board authorized Sergeant Martinez to

speak with the homeowner and inform him that the District allows no trespassing on or damage of the property.

7. The boards opened the floor for public comment, and no public comment was offered. Thereafter, the Board and consultants of Reid Road No. 2 exited the meeting.

8. The Board reviewed the minutes of its meeting held October 20, 2021. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented. The Board next opened the floor for public comment, and none was offered.

9. Ms. Goin presented the tax assessor-collector's report, copy attached, which showed 99.455% collections of 2020 taxes, and 0.956% collections of 2021 taxes. Ms. Goin stated 2021 collections were up to 4.5% as of tonight's meeting. She then reviewed amounts received during the month and checks and wire transfers from the tax account which upon release will leave a balance of \$22,366.71 in the account. After further discussion, upon motion by Director Swannie, seconded by Director Christensen, the Board voted unanimously to approve the tax assessor-collector's report and authorized release of the disbursements listed thereon.

10. The Board considered adoption of a Resolution casting a ballot in the Harris County Appraisal District director election. The Board was informed that Jonathan Cowan had been appointed to fill the vacancy on the board and he was among a slate of seven candidates running for election to a full term in the position. After discussion, upon unanimous vote, the Board adopted the attached Resolution casting its vote for Jonathan Cowan.

11. Ms. Silva presented the bookkeeper's report, copy attached, and reviewed activity and balances in all District funds as well as checks presented for payment of current bills. She requested Board approval of checks No. 1056 through 1061 which were not listed on the report. She reported that District accounts at BBVA bank would remain open until all checks written on those accounts had cleared. New accounts had been opened at Central Bank, as discussed at previous meetings. The bookkeeper may recommend that the District leave open its deposit refund account at BBVA; additional information will be forthcoming. Finally, Ms. Silva reviewed the budget comparison report for seven months of the District's fiscal year. Expenditures were greater than receipts, and Ms. Silva would highlight higher expenditures and keep a sharp eye on things. The Board then reviewed and approved the bookkeeper's investment report and the report of pledged collateral. After further discussion, upon motion by Director

Christensen, seconded by Director Swannie, the Board voted unanimously to approve the bookkeeper's report and investment report and authorized release of checks for payment of current bills, including Nos. 1056 through 1061.

12. The Board discussed establishing a process for director authorization outside of a meeting of minor operating expenditures, including minor emergency repairs. After discussion, the Board unanimously agreed to designate Directors Cieslewitz and Swannie each individually able to authorize such expenditures outside of a Board meeting in an amount not to exceed \$5,000. The operator and engineer were instructed to first consult Director Cieslewitz and if he is not available to consult Director Swannie for such expenditures, which must thereafter be brought before the full Board for approval at the next regular meeting.

13. Mr. Cosco reported on the condition of parks and drainage facilities in the District and presented a written report, copy attached. The parks are in great shape, but the Bermuda is expected to die back/go dormant in the winter. Mr. Cosco recommended overseeding with rye in the Bermuda grass areas in the flexmat. The Board approved overseeding and fertilization in an amount not to exceed \$2,000. Everywhere except in Penny park. The Board discussed the condition of the bridges in the park and was informed that they are in good shape. Director Christensen reported having been contacted by representatives of White Oak Bend MUD and the White Oak Bend HOA. Those entities plan to install cameras in their subdivision and have asked for permission to connect to electricity at the District's lift station to power the cameras. The cameras will record activity at Autumn Meadow going into the District and at the District's pump station. The Board was generally inclined to grant the request and asked that an item be placed on the December agenda to allow for formal Board consideration. After further discussion, the Board approved the monthly report from Champions Hydro-Lawn.

14. Mr. Montgomery presented the operator's report, copy attached. Water accountability for the month was 93%. On the operator's recommendation the Board authorized deeming two accounts in the total amount of \$98.97 as uncollectable and referring them to the collection agency used by the District. Mr. Montgomery then submitted a list of delinquent accounts to the Board for termination of utility service and stated that these customers had been given written notification of the opportunity to appear, either in person or in writing, at the Board meeting to contest, explain or request correction of the charges, services or disconnection. The

customers had neither attended the Board meeting nor contacted the operator's office or the District, and after discussion, upon motion duly made, seconded and unanimously carried, the Board authorized the operator to proceed with termination of utility service to said accounts pursuant to provisions of the District's Rate Order.

Mr. Montgomery reported that the Christmas lights have been turned on at District facilities. Next, Mr. Montgomery presented requests from two customers. It was determined the second request was not in fact from a District customer. The Board considered the request of the Willow Run Townhomes at 11240 Perry Road for waiver of late penalties. Mr. Montgomery confirmed this customer had never before been late in payment and that all months currently due had been paid, including the subject penalties. The Board considered the request and thereafter, upon unanimous vote, agreed to grant it under the circumstances and only in this one instance. Mr. Montgomery then reported on an insurance claim that had been filed and next noted the smoke testing contractor had completed work but he recommended holding back payment of the last bill because there were outstanding issues with this contractor. The Board agreed unanimously with the operator's recommendation. Thereafter, upon motion by Director Christensen, seconded by Director Swannie, the Board voted unanimously to approve the operator's report as presented.

15. Mr. Mueller presented the engineer's report, copy attached. The engineers have received and are reviewing the first submittal from Kleen Environmental of the Phase 1 smoke testing data. Mr. Mueller then reported on a meeting scheduled this Friday with the NHCRWA's design engineer, AECOM, on particulars of plans for chloramination facilities at the District's water plant. At the meeting Mr. Mueller expects AECOM to discuss costs for maintaining the District's fluoridation program as well as improvements/enlargement of the motor control center. Continuation of the fluoridation program is entirely up to the District. At this meeting Mr. Mueller will also raise the subject of NHCRWA's submission of plans for District review of the Authority's Project 31A transmission line. Mr. Mueller then stated that he would have further discussions with the District's operator on updating and fine tuning of the capital improvements plan. The Board expressed a desire to have a special meeting on the subject after the first of the year once a working draft is ready.

It was next reported that neither the engineer nor the attorney has received a response to their correspondence with representatives of an improved 1.9-acre tract on Jones

Road seeking annexation and service. Regarding proposed developments at 11300 Perry Road within the District, Mr. Mueller had been advised that the property owner now plans to develop a convenience store on the site and did still seek District utility capacity for the project. The engineers have received and are reviewing plans for the proposed tenant buildout of an Octapharma Plasma at an existing commercial strip center at 10945 FM 1960 West within the District. Ms. Parks stated that her office would soon issue a utility commitment for the Octapharma project. After further discussion of engineering matters, the Board voted unanimously to approve the report as presented.

15. Ms. Parks and the Board reviewed a proposal for renewal of District insurance. The premium would increase by \$5,974 due largely to increased replacement values of District facilities. Upon review, the Board unanimously approved the proposal. The attorney also confirmed that her office had completed its annual review of consultant insurance required by contract and that all such insurance was current with certificates on file except in two cases, and those certificates have been requested by the attorneys.

16. The Board noted that at the previous meeting it had received a letter of resignation from Director Bob Brengel. After discussion and with utmost respect, the Board accepted Mr. Brengel's resignation. In that regard, the Board considered appointment of a director to fill the vacancy in that office created by the resignation of Mr. Brengel. It was moved, seconded and unanimously carried that there be passed and adopted the attached Order appointing Karen Brengel as a director for such unexpired term. The Board agreed to review and formally accept Ms. Brengel's qualifications at the next Board meeting and to conduct an election of officers.

17. The Board considered pending business, including the status of the new residential solid waste collection contract and notice thereof to District customers. Arrangements were in place for a smooth transition, and the first in a series of two notices had been provided to District customers.

18. The Board temporarily adjourned the open session and met in executive session under Texas Government Code §551.089 to review a draft Emergency Response Plan required under the federal America's Water Infrastructure Act (AWIA). The Board entered executive session at approximately 8:12 p.m. and invited the District's operator, engineer and attorney to attend.

19. The Board reconvened in open session at approximately 8:21 p.m. Upon motion by Director Christensen, seconded by Director Swannie, the Board unanimously authorized Municipal Operations and Consulting to submit within the required timeframe the certifications required under the AWIA concerning the District's completed Emergency Response Plan. The Board also authorized the operator to remove the fluoride equipment and discontinue the District's fluoride program. Mr. Montgomery reported that going forward the District's Risk and Resilience Assessment and Emergency Response Plan must be reviewed and recertified every five years.

There being no further business to come before the Board, the meeting was adjourned.



Secretary

REID ROAD MUNICIPAL UTILITY DISTRICT NO. 1
NOTICE OF PUBLIC MEETING

Notice is hereby given to all interested parties that the Board of Directors of the captioned District will hold a public meeting at **11245 Harvest Bend Blvd., Houston, Texas.** The meeting will be held at **6:30 p.m. on Wednesday, November 17, 2021.**

The subject of the meeting is to consider and act on the following:

1. Consideration of wastewater treatment matters, including:
 - a. Operations and maintenance report; authorize repairs and maintenance
 - b. Bookkeeper's report and payment of bills
 - c. Engineer's report; authorize preparation of plans, advertising for bids, and award of contracts
 - d. Constable's patrol report
 - e. Agreements with landowners regarding site encroachments
 - f. Presentation of public comments
2. Approve minutes of meeting held October 20, 2021
3. Public Comment
4. Tax assessor-collector's report; status of tax collections; review invoices and authorize payment; status of delinquent taxes; authorize litigation as necessary; consider any taxpayer appeals; approve installment payment agreements, as necessary
5. Resolution casting ballot in Harris County Appraisal District director election
6. Bookkeeper's report; review invoices and authorize payment of bills; review investment report and approve investment of District funds; process for director authorization of minor operating expenditures outside of Board meeting
7. Report regarding District's parks; authorize actions as necessary
8. Operator's report; review active connections and water accountability; status of operation, maintenance, and repair of District facilities; consider customer appeals; approve termination of service on delinquent accounts
9. AWIA Emergency Response Plan; review in Executive Session and thereafter authorize appropriate action
10. Engineer's report; authorize preparation of plans as appropriate; authorize advertising for bids; award contracts; approve pay requests and change orders; request(s) for service, utility commitment, or annexation of land
11. Review of Capital Improvements Plan; authorize actions as appropriate
12. Renewal of District insurance (expires 12/15/2021)
13. Annual review of consultant insurance policies
14. Accept resignation of director and adopt order appointing director to fill vacancy
15. Pending business, including:
 - a. Status of residential solid waste collection contract and notice to customers;

- b. North Harris County Regional Water Authority chloramination conversion at District water plant and surface water transmission line Project 31A, including request for easement(s);
 - c. annexation of 1.98 acres on Jones Road
16. Executive Session as necessary Authorized under Texas Government Code Ann., §551.071, et seq.
17. Reconvene in Open Meeting to act on matters considered in Executive Session



Melissa J. Parks

Melissa J. Parks
Attorney for the District

REID ROAD MUNICIPAL UTILITY DISTRICT NO. 1

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
REID ROAD MUNICIPAL UTILITY DISTRICT NO. 1
(CONSERVATION & RECLAMATION DISTRICT)
CASTING ITS VOTE TO FILL THE POSITION
ON THE BOARD OF DIRECTORS OF THE
HARRIS COUNTY APPRAISAL DISTRICT**

The Board of Directors (“Board”) of Reid Road Municipal Utility District No. 1 (“District”) met on November 17, 2021 with a quorum of directors present, as follows:

Patrick Cieslewitz, President
Carla Christensen, Vice President and Secretary Pro Tempore
Ed Swannie, Director

and the following absent:

Robert Sumpter, Secretary

when the following business was transacted:

The resolution set out below was introduced for consideration of the Board. It was duly moved and seconded that said resolution be adopted; and, after due discussion, said motion was carried by the following vote:

Ayes: All directors shown present

Noes: None.

The resolution thus adopted is as follows:

WHEREAS, the chief appraiser of the Harris County Appraisal District has delivered to the president of Reid Road Municipal Utility District No. 1, a conservation and reclamation district created under Art. XVI, Section 59 of the constitution of the State of Texas and operating pursuant to Chapters 49 and 54, Texas Water Code (the “District” or “Taxing Unit”), the names of those persons duly nominated as candidates to serve in that position on the

board of directors of the Harris County Appraisal District, representing and to be filled by the conservation and reclamation districts participating in said appraisal district; and

WHEREAS, the District deems it appropriate and in the public interest to cast its vote for the candidate of its choice to fill such position;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF REID ROAD MUNICIPAL UTILITY DISTRICT NO. 1:

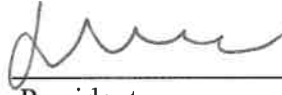
Section 1. That the facts and recitations set forth in the preamble of this resolution be, and they are hereby, adopted, ratified, and confirmed.

Section 2. That Reid Road Municipal Utility District No. 1 does hereby cast its vote for Jonathan Cowen to fill the position on the board of directors of the Harris County Appraisal District, representing and to be filled by the conservation and reclamation districts participating in the appraisal district.

Section 3. That the presiding officer of the governing body of the District be, and he is hereby authorized and directed to deliver or cause to be delivered an executed or certified copy of this resolution to the chief appraiser of the Harris County Appraisal District no later than December 15, 2021.

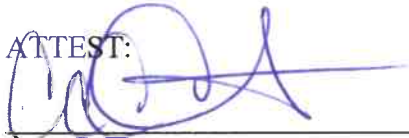
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PASSED AND APPROVED this November 17, 2021.



President

ATTEST:



Secretary

Pro Tempore



REID ROAD MUNICIPAL UTILITY DISTRICT NO. 1

Order Appointing Director

The Board of Directors (“Board”) of Reid Road Municipal Utility District No. 1 (the “District”) met on November 17, 2021 with a quorum of directors present, as follows:

Patrick Cieslewitz, President
Carla Christensen, Vice President and Secretary Pro Tempore
Ed Swannie, Director, Director

and the following directors absent:

Bob Brengel, Treasurer
Robert Sumpter, Secretary

when the following business was transacted:

The order set out below was introduced for consideration of the Board. It was then duly moved and seconded that said order be adopted; and, after due discussion, said motion carried by the following vote:

Ayes: All directors shown present.

Noes: None.

The order thus adopted is as follows:

Whereas, the term of office of Bob Brengel, director of Reid Road Municipal Utility District No. 1 expires at the time of the canvassing of the returns of the election of directors to be held in and for the District on the first Saturday in May, 2024.

Whereas, said director has submitted his resignation as a director of the District and as a member of its Board of Directors, such resignation to be effective immediately.

Whereas, it is provided by law that the remaining directors shall fill by appointment all vacancies on the Board for the unexpired term of such vacancy.

Whereas, Karen Brengel is more than 18 years of age; is a resident citizen of the State of Texas; either owns land subject to taxation within the District or is a qualified voter within the District; is a proper person and qualified in all respects to serve as a director of the District and as a member of its Board of Directors; and has consented to serve in such capacity.

It is therefore, ordered by the Board of Directors of said District as follows:

Karen Brengel be nominated, selected and appointed by the Board of Directors as a member thereof and as a director of said District for the unexpired term of said vacancy, to serve until the canvassing of the returns of the election of directors to be held in and for the District on the first Saturday in May, 2024, or until a successor is appointed or elected and qualified; and that the President or Vice President be authorized to execute and the Secretary or Secretary Pro Tempore be authorized to attest this order on behalf of the Board and the District.

Passed and adopted by said Board of Directors, on the date first above written.



President

ATTEST:



Secretary Pro Tempore

