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REID ROAD MUNICIPAL UTILITY DISTRICT NO. 1

Minutes of Meeting of Board of Directors

December 21, 2022

The Board of Directors (“Board”) of Reid Road Municipal Utility District No. 1 (“District”) met on December 21, 2022, 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
Karen Brengel, Treasurer
Ed Swannie, Director

and the following absent:

Robert Sumpter, Secretary.

Also present were Ms. Robin Goin, tax assessor-collector for the District; Mr. John Montgomery, District operator; Mr. Mason Mueller of Cobb, Fendley & Associates, Inc.; Mr. Erik Scott of Champions Hydro-Lawn; Sergeant A. Martinez of the Harris County Precinct 4 Constable’s office; Ms. Christie Leighton of Best Trash, LLC and Mr. Landy Leighton; Mrs. Patrick Cieslewitz, Mr. & Mrs. Scott Christensen, and Mr. and Mrs. Gilbert de la Cruz; a quorum of the Board of Directors of Reid Road MUD No. 2 and appropriate consultants of that district; 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, the Board designated Director Christensen as Secretary Pro Tempore.

1. Mr. Montgomery presented the joint sewage treatment plant operations report. There were no permit violations during the month, the plant operated at 40% of permitted capacity, and no odor complaints had been received. After further discussion, upon motion duly made, seconded, and unanimously carried, the Board approved the operator’s report as presented.

2. The Board reviewed the joint plant bookkeeper’s report, copy attached, including income and disbursements since the last Board meeting. The Board reviewed checks for payment of current bills as well as a budget comparison report reflecting activity during the first eight months of the fiscal year ending March 31, 2023. Thereafter, upon motion duly made, seconded, and unanimously carried, the Board approved the bookkeeper’s report and authorized payment of the checks listed thereon.

3. Mason Mueller presented the attached joint plant engineer’s report and reviewed it with the Board. Mr. Mueller addressed the odor mitigation project and reported the engineers have communicated with State Chemical on installation of the odor mist system, which Mr. Mueller believes may be complete in early 2023. After further discussion, the Board voted unanimously to accept the engineer's report.

4. Sergeant Martinez reported on law enforcement activities occurring during the month. Thereafter, the Boards opened the floor for public comment. No public comment was offered, and the Board and consultants of Reid Road MUD No. 2 then exited the meeting.

5. The Board opened the floor for public comment. No public comment was offered.

6. The Board reviewed the minutes of its meeting held November 16, 2022. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

7. The Board considered adoption of the attached Resolution commending Gilbert de la Cruz for his personal contributions while serving as a Director of the District. The Board believed it appropriate to recognize Gilbert de la Cruz as an excellent Director and outstanding citizen of the District and the State of Texas and desired to extend its sincere thanks and congratulations to him for a job well done. Prior to adoption, President Cieslewitz read the Resolution aloud for all present to hear, and thereafter, upon unanimous vote, the Resolution was adopted. Mr. de la Cruz then addressed the Board, expressing his thanks and well wishes to all present.

8. Ms. Goin presented the tax assessor/collector's report, copy attached, which showed that through November 30, the 2021 taxes are 99.341% collected. She reported that to date, the 2022 taxes are 19% collected. The report reflected the certified taxable value of the District for 2022 at \$374,435,294. Ms. Goin then presented checks for payment of current bills as well as disbursements by wire to the District's debt service and general fund accounts. Thereafter, upon motion duly made, seconded and unanimously carried, the Board approved the report and authorized the disbursements listed thereon. Ms. Goin further noted that on behalf of the District she would be reviewing and updating the Strategic Partnership Agreement business list, as requested by the City of Houston.

9. The Board next reviewed the bookkeeper's report, copy attached, including activity and ending balances in all District funds. Checks for payment of current bills were also reviewed, as well as a budget comparison report showing activity during the first eight months of the fiscal year. The Board then considered amending the general operating budget to account for increased garbage collection rates through the remainder of the fiscal year. After discussion, upon motion duly made, seconded and unanimously carried, the Board adopted the attached Resolution Adopting Amended Operating Budget for the Fiscal Year Ending March 31, 2023. Thereafter, and after review of the remainder of the bookkeeper's report as well as the monthly investment report, upon motion by Director Christensen, seconded by Director Swannie, the Board voted unanimously to approve the bookkeeper's report an authorized release of the checks listed thereon.

10. Mr. Montgomery presented the operator's report, copy attached, reflecting 94% water accountability and 29,781,000 gallons pumped during the month. Mr. Montgomery discussed account delinquencies and submitted a list of accounts subject to termination of utility service for delinquency. 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 during the month the District continued to provide emergency water service to Reid Road MUD No. 2. He stated 11.8 million gallons had been provided so far, and that under the emergency interconnect agreement, Reid Road MUD 2 will repay the District in kind. After further discussion of operating matters, upon motion by Director Christensen, seconded by Director Brengel, the Board voted unanimously to approve the report as presented.

11. The Board considered provision of a notice to District customers required under Senate Bill 3 adopted by the Texas Legislature in 2021 regarding utility billing during extreme cold weather emergencies. The legislation prohibits entities that furnish retail water and sanitary sewer service from imposing late fees or disconnecting service for non-payment of bills that are due during an extreme weather emergency until after the emergency is over. "Emergency" is defined as a period when the previous day's highest temperature did not exceed 28 degrees Fahrenheit, and the temperature is predicted to remain at or below that level for the next 24 hours according to the nearest National Weather Service report. The legislation also requires districts to work with customers that request to establish a payment plan for unpaid bills due during an extreme weather emergency. Districts must provide their customers with a one-time written notice about these matters by January 31, 2023 in both English and Spanish. After discussion, the Board unanimously authorized its operator to provide such notice to District customers.


12. The Board discussed matters related to the North Harris County Regional Water Authority. The Board noted that the Authority had lifted its drought measures on November 17, and the District had discontinued its own measures soon after.

13. Mr. Mueller presented the engineer's report, copy attached. He requested Board authorization to advertise and bid the project for replacement of the motor control center and building at Water Plant No. 1. After discussion, the Board gave its unanimous authorization. Mr. Mueller then reported that bids for improvements at Water Plant No. 2 were expected on January 11, 2023. After further discussion, the Board unanimously approved the engineer's report.

14. Mr. Scott of Champions Hydro-Lawn presented the monthly parks report, copy attached. The parks are in satisfactory shape, with green grass and blue skies. Mr. Scott mentioned issues with the condition of the basketball goals and will bring a repair proposal to the next month's meeting for Board consideration. There were brief discussions about ground cover around the playground equipment in Penny Park, and the Board agreed to discuss this next month. There was no update on the bat box.

15. The attorney confirmed that her office would submit the annual eminent domain report required by state law, which must be filed in early 2023. The District had not exercised its condemnation power in 2022.

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


Secretary Pro Tempore

**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, December 21, 2022**.

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; preparation of plans, advertising for bids, award of contracts
 - d. Constable's patrol report
 - e. Presentation of public comments
2. Approve minutes of meeting held November 16, 2022
3. Public Comment
4. Resolution Commending former director Gilbert de la Cruz
5. Tax assessor-collector's report; status of tax collections; review invoices and authorize payment; authorize litigation or termination of service as necessary for collection of delinquent taxes; consider taxpayer appeals; approve installment payment agreements
6. Bookkeeper's report; review invoices and authorize payment of bills; review investment report and approve investment of District funds
7. Resolution Amending Operating Budget for 2023 fiscal year
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 to delinquent accounts
9. Customer notice under 2021 Senate Bill 3 regarding billing during extreme weather emergencies
10. Matters related to North Harris County Regional Water Authority
11. Engineer's report: authorize preparation of plans, advertising for bids, and/or award of contracts; approve pay requests, change orders; capital improvement plan
12. Report regarding District parks; authorize actions as necessary
13. Eminent Domain report (due 02/01/2023)
14. Pending business



A handwritten signature in black ink that reads "Melissa J. Parks".

Melissa J. Parks
Attorney for the District