

REID ROAD MUNICIPAL UTILITY DISTRICT NO. 1

Minutes of Meeting of Board of Directors

May 21, 2025

The Board of Directors (“Board”) of Reid Road Municipal Utility District No. 1 (“District”) met on Wednesday, May 21, 2025, 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
Robert Sumpter, Secretary
Karen Brengel, Treasurer and Assistant Secretary
Ed Swannie, Director

and the following absent:

Carla Christensen, Vice President.

Also present were Mr. John Taylor, District operator; Mr. Mason Mueller, District engineer; Ms. Robin Goin, tax assessor-collector for the District; Ms. Erin Garcia, District bookkeeper; Mr. Robert Garcia of Champions Hydro-Lawn; Lieutenant Curry of the Harris County Precinct 4 Constable’s office; a quorum of the Board of Directors of Reid Road MUD No. 2 (“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.

1. John Taylor presented the joint sewage treatment plant operations report. During the month the plant operated at 41% of permitted capacity, and there were no permit violations. Mr. Taylor reported that sprockets for the filter system at the plant had arrived; one for installation, and one for back-up. He next reported on high mercury readings, noting there had been an exceedance of a single grab sample and of an average. Issues also continued with discharges from the dentist’s office. For the discharge in March, Mr. Taylor had calculated a fine under the District’s Industrial Waste Order and submitted it to the customer. Mr. Taylor understands the owner of the dentist’s office is out of town until mid-June, at which time he will visit the owner to discuss the fine and the situation. Mr. Taylor noted that the amount of mercury in the March discharge had been in an amount beyond the range of measured levels in the District’s Industrial Waste Order, and to that end he will recommend that the Board amend these levels. In response to a question from the Board about odor at the plant, Mr. Taylor stated there had been no recent complaints, with the last complaint having been received about two months ago. Finally, Mr. Taylor reported that he has requested additional quotes for air conditioners to be installed on the ballast system at the plant’s ultraviolet disinfection unit. After further discussion, upon unanimous vote, the Board approved the operator’s report.

2. Ms. Garcia presented the joint plant bookkeeper’s report, copy attached. She reviewed checks presented for payment of current bills in the amount of \$92,420.54. She next reviewed a budget comparison report reflecting activity during the first month of the fiscal year ending March 31, 2026, after which she reviewed the plant’s expense distribution and invoicing for April, 2025. After further discussion, upon motion duly made, seconded, and unanimously carried, the Board approved the bookkeeper’s report as presented and authorized release of the checks listed thereon.

3. Mr. Mueller reported to the Board on engineering matters. The inspection of odor mitigation facilities will be conducted this month at the end of the contractor's one-year warranty period. Mr. Mueller stated it may be necessary to replace a few nozzles on the misting equipment. He will report back to the Board after the inspection is complete.

4. Lieutenant Curry addressed the boards and discussed law enforcement patrol within the districts during the month. He reviewed a written report on activities during April, 2025.

5. There was no update regarding an interlocal agreement with Harris County for participation in the County's Wastewater Surveillance Program since submission of proposed revisions for County approval. Thereafter, the Board opened the floor for public comments, but none were offered. The Board and consultants of No. 2 then exited the meeting.

6. The Board opened the floor for public comments at the District's meeting, and none were offered. The Board then considered the minutes of its meeting held April 16, 2025. Upon unanimous vote, the minutes were approved by the Board.

7. Robin Goin presented the tax assessor-collector's report, copy attached. Through April 30, the District's 2024 taxes were 97.494% collected. Ms. Goin reviewed checks for payment of current bills and noted that upon their release, the balance in the tax account would stand at \$119,417.23. Ms. Goin then discussed account delinquencies and presented a taxpayer's request for a four-month installment payment agreement. After discussion, the Board agreed to accept installment payments from this owner of real property. After review of the remainder of the tax assessor-collector's report, the Board voted unanimously to approve the report as presented and authorized release of the disbursements listed thereon.

8. Erin Garcia presented the bookkeeper's report, copy attached. She reviewed activity and ending balances in all accounts and presented checks written for payment of current bills. Upon release of these checks, the balance in the operating fund will stand at \$7,566,095.31. Ms. Garcia noted this balance includes \$500,000 received from the District's property insurance carrier in partial payment for the District's claim for recovery of damages to the ground storage tank (GST) at Water Plant No. 2. To that end, Ms. Garcia noted the bookkeepers are separately tracking amounts paid for the recovery project. Ms. Garcia then reviewed a budget comparison report reflecting activity during the first month of the fiscal year ending March 31, 2026. Finally, she reviewed the monthly investment report. After further review and discussion, upon motion by Director Swannie, seconded by Director Sumpter, the Board voted unanimous to approve the bookkeeper's report as presented and authorized release of the checks listed thereon, including checks advancing travel expenses to directors planning to attend the summer conference of the Association of Water Board Directors.

9. Robert Garcia presented the monthly parks report, copy attached. He presented proposals for work in Penny Park, including removal of graffiti from playground equipment in the amount of \$1,781, and for power washing discolored concrete in the amount of \$845. After review and discussion, upon motion by Director Sumpter, seconded by Director Swannie, the Board unanimously approved both proposals. The Board then discussed damages to a barricade and also noted that some benches were loose in the area near the pond. Mr. Garcia stated he would have Champions Hydro-Lawn's parks maintenance personnel review these areas and recommend actions for discussion next month. He then noted that generally speaking, the

District's detention and drainage facilities and parks are in good shape. After further discussion, upon motion by Director Swannie, seconded by Director Brengel, the Board unanimously approved Mr. Garcia's report.

10. The Board considered amendment of Table 2 of the District's Industrial Waste Order. The Board reviewed proposed revisions received from the District's operator to increase the range of surcharge factors for mercury. After discussion, upon motion by Director Sumpter, seconded by Director Brengel, the Board unanimously adopted the attached Resolution for Adoption of Order Regulating Discharge of Industrial Wastes into Public Sewers of the District, Promulgating Regulations, and Establishing Charges for Services Rendered.

11. Mason Mueller presented the engineer's regular report, copy attached. Mr. Mueller discussed general District engineering items, noting the engineers continue work on updating the District's Emergency Preparedness Plan. Mr. Mueller reported that a drainage maintenance request had been submitted to Harris County Precinct 3 concerning the condition of drainage facilities along Windfern Road. It is his understanding that the precinct will address this matter. He then reported on the status of the contract with SKE Construction, LLC for Phase 1 of the water line rehabilitation project. As noted last month, the contractor is gathering construction materials and will mobilize within the next few months.

Mr. Mueller next addressed recovery efforts since the failure of the GST at Water Plant No. 2. He presented pay estimate No. 3 of B5 Construction Co. Inc. in the amount of \$29,740.28. The GST is being constructed, and the methane scrubber foundation should be set by the end of this week. Coordination with the North Harris County Regional Water Authority's (NWRWA) Project 31A surface water contractor has been good, and that contractor will adjust the location of some of its underground piping in concert with the District's installation of the methane scrubber.

Mr. Mueller next reported that the motor control center at Water Plant No. 1 is energized. That contractor is working with the Authority's contractor with regard to routing electrical lines clear of the incoming surface water line. The District's engineer and operator met on site about this with this contractor and the Authority's contractor in mid-May.

Mr. Mueller reported that the District had provided the letter requested by Holt Lunsford confirming the District will maintain the autoflusher at a dead-end water line for this developer's commercial project on the Mulligan's tract. He next reported the District had received a request for utility service from a proposed new tenant in a preexisting commercial space. The engineers have received and are reviewing the new tenant's plans. After further discussion of engineering matters, upon unanimous vote, the Board approved both pay estimate No. 3 of B5 Construction, and the engineer's monthly report.

12. The Board further discussed recovery efforts at Water Plant No. 2. Ms. Parks reported on recent correspondence with the District's liability carrier and defense counsel concerning receipt of any formal notice of claim under the policy. Neither Ms. Parks nor the defense counsel has received any such notice, nor had either heard anything further since the open records request. In addition, the property insurance carrier had recently requested specific documentation from the District concerning actions taken to restore water production operations.

13. The Board discussed matters related to the NHCRWA. Director Cieslewitz noted no unusual business had been discussed at the past few Authority meetings. Ms. Parks

confirmed she had not yet contacted the Authority's contractor to demand repayment of costs to repair the irrigation lines and backflow prevention devices serving Penny Park that were damaged by the contractor. Finally, in response to a question from the Board, Mr. Mueller confirmed that his ongoing discussions with the Authority's Project 31A contractors are serving to notify the Authority that the District does not intend to complete construction of or connection with the Authority's surface water transmission facilities to the District's water plants.

14. The Board discussed pending business, including the status of the District's application to the Texas Commission on Environmental Quality (TCEQ) for approval of a change in project scope and use of surplus capital projects funds. Ms. Parks reported that TCEQ had recently requested information from her office concerning this application, which the attorneys have since provided. The Board also discussed the status of the foundation repair contract with Groundworks Texas LLC. Ms. Parks reported the contract has been fully executed by both parties. The contractor has indicated that work will begin on or about June 26. Regarding a face-to-face meeting with representatives of White Oak Bend MUD concerning that district's issues with a District interconnect invoice, it was noted that Directors Sumpter and Swannie would attend such a meeting along with Mr. Taylor and Ms. Parks.

15. John Taylor presented the operator's report, copy attached. Water accountability for the month was 99%, and there are now 16 vacant accounts in the District. Mr. Taylor reviewed customer billing and collections data and submitted a list of delinquent accounts subject to termination of utility service. These customers had been given written notification of the pending termination, and Mr. Taylor reported the operators have received no appeals from any customers. No customers were present at the Board meeting to contest their bills. After further discussion, upon unanimous vote, the Board authorized termination of service to all remaining delinquent accounts in accordance with the District's Rate Order. Mr. Taylor also presented one closed delinquent account recommended for write-off in the amount of \$99.17. After discussion, the Board authorized handling the account as recommended.

Mr. Taylor described minor maintenance issues at the District's administration building which the operators would soon handle. He addressed other operations activity during the month, and then presented for review and discussion the annual Consumer Confidence Report (CCR) for 2024. The CCR reflected no violations and has been updated to mention completion of the federally-required lead and copper line survey, as well as detection of naturally-occurring lithium during UCMR5 testing. After discussion, the Board unanimously approved the CCR in substantially the form presented and authorized its distribution prior to July 1 by use of a URL link on monthly water bills, and as otherwise authorized. A hard copy will be provided to any customer requesting one. After further discussion of operating matters, upon motion by Director Swannie, seconded by Director Sumpter, the Board unanimously approved the operator's report as presented.

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

Secretary