

REID ROAD MUNICIPAL UTILITY DISTRICT NO. 1

Minutes of Meeting of Board of Directors

June 18, 2025

The Board of Directors (“Board”) of Reid Road Municipal Utility District No. 1 (“District”) met on Wednesday, June 18, 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
Carla Christensen, Vice President
Robert Sumpter, Secretary
Karen Brengel, Treasurer and Assistant Secretary
Ed Swannie, Director

and the following absent:

None.

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 and Master Hayden Garcia; Lieutenant Curry, Deputy Castillo, and Captain A. Strain 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 43% of permitted capacity. There were no permit violations, although earlier this week, mercury was detected in a sample taken at the plant. It appears there was no corresponding detection in the discharge from the dentist’s office, although Mr. Taylor is in contact with Doctor Truong and has requested his manifests and other materials for review.

Mr. Taylor reported on a letter received May 30, 2025 from the Texas Commission on Environmental Quality (TCEQ) concerning a compliance investigation at the plant. The investigation had been made as a result of an odor complaint from a member of the public who called it in around Easter. In response to a question from the Board, Mr. Taylor reported that the plant’s drum screen was working both at the time of the complaint and at TCEQ’s inspection, but recently there has been a problem with the gear box for the auger. Mr. Taylor reported that the items necessary for repair have been ordered and should soon be installed. In addition, the Board asked the District’s engineer to get a price for installing a covering over the pad under the drum screen.

Mr. Taylor then addressed the air conditioners that need to be replaced on the ballast system at the ultraviolet disinfection unit. He had since obtained additional repair quotes for these units, which have been in place since 2006. Mr. Taylor reviewed all the proposals with the Board, and thereafter, the Board unanimously agreed to approve a stainless-steel replacement at a cost of

\$27,000. After further discussion, upon motion by Director Swannie, seconded by Director Christensen, the Board approved the operator's report as presented.

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 \$156,011.10. She next reviewed a budget comparison report reflecting activity during the first two months of the fiscal year ending March 31, 2026, after which she reviewed the plant's expense distribution and invoicing for May 2025. After further discussion, upon motion by Director Brengel, seconded by Director Sumpter, the Board unanimously 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 one-year warranty inspection of odor mitigation facilities at the plant had been conducted, and Mr. Mueller reported that the construction contractor will address an item related to the cooling equipment cabinet. He also confirmed that he will get pricing for covering the six-foot-by-six-foot pad where the odor mitigation pump and barrels are located.

4. Lieutenant Curry addressed the boards and began by introducing Deputy Castillo and Captain Strain. Lieutenant Curry then discussed law enforcement patrol within the districts during the month and reviewed a written report on activities during May. Captain Strain also addressed the Board regarding a recent shooting incident. He confirmed the shooter has been identified and the incident was not in any way related to school or sporting events.

5. Ms. Parks reported on the proposed interlocal agreement with Harris County for participation in the County's Wastewater Surveillance Program. The agreement as executed by the Board has now been approved by the Harris County attorney and will be presented for approval and execution by the Harris County Commissioners. 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 tabled approval of the minutes of its meeting of May 21, 2025.

7. Robin Goin presented the tax assessor-collector's report, copy attached. Through May 31, the District's 2024 taxes were 97.89% 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 \$103,057.23. Ms. Goin discussed account delinquencies and reported on the status of payments under two installment agreements. After review of the remainder of the tax assessor-collector's report, upon motion by Director Swannie, seconded by Director Sumpter, the Board unanimously approved the report as presented and authorized release of the disbursements listed thereon.

8. Robert Garcia presented the monthly parks report, copy attached. He introduced his son, Hayden Garcia. Mr. Garcia then reviewed his monthly report with the Board, noting that the ponds and parks are in good shape and the grass is quite green. He reported that Champions Hydro-Lawn had removed graffiti from playground equipment in Penny Park and power washed discolored concrete. He then stated he is having Champions Hydro-Lawn's parks maintenance personnel review a damaged barricade, loose benches, and the condition of the

playground equipment and will present any recommendations to the Board. After further discussion, upon unanimous vote, the approved Mr. Garcia's report.

9. 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. Check No. 2334 was payable to B5 Construction Co. Inc. in the amount of \$900,169.84 for pay estimate No. 4 on the contract for Water Plant No. 2 recovery. Ms. Garcia also pointed out check No. 2343 to McCall Gibson Swedlund Barfoot Ellis for \$12,000 to pay an interim billing for preparation of the District's March 31, 2025 audit. Upon release of all checks, the balance in the operating fund will stand at \$6,495,514.72. Ms. Garcia then reviewed the monthly investment report, followed by review of a budget comparison report reflecting activity during the first two months of the fiscal year ending March 31, 2026. Without considering expenditures for the Water Plant No. 2 recovery project, the District's expenditures for the year to date are about \$25,000 less than budgeted. After further review and discussion, upon motion by Director Christensen, seconded by Director Sumpter, the Board unanimously approved the bookkeeper's report as presented and authorized release of the checks listed thereon.

10. The Board discussed payment of fees of office and expense reimbursements. The Board discussed accruing fees of office for payment in the next fiscal year if a director is paid the maximum fees of office allowed by law in the current fiscal year. The Board also discussed timely submission of requests for payment of fees of office for services performed for the District and for expenses incurred. It was noted that the District's Code of Ethics currently sets out requirements concerning some of these matters. After further discussion, the Board agreed that the Code of Ethics should be amended to specifically address both issues and noted it would consider such amendments at its next regular meeting.

11. It was mentioned that the District's investment officers are required by law to disclose annually any personal business relationships with individuals or entities offering to engage in investment transactions with the District. Investment officers Mary Jarmon, Karen Brengel, and Carla Christensen have been provided appropriate forms and have made their annual disclosures.

12. John Taylor presented the operator's report, copy attached. Water accountability for the month was 98%, and there are 16 vacant accounts in the District. The Board reviewed usage by commercial customers, including specifically A3 Glass Fabricator. Mr. Taylor reported on his discussions with the company's owner, who indicated the company's machines no longer filter and reuse water. The Board requested that the District's engineer and attorney review the utility commitment recently issued to A3 Glass for its expansion, as well as the commitment for the original project, so that they can determine whether the company is using more capacity than the District committed to it.

Mr. Taylor described a meeting among operators, attorneys, and two Board members each of the District and White Oak Bend MUD (WOB) concerning the outstanding invoices for water provided by the District through the interconnect. The meeting had gone well, usage details were discussed, and WOB agreed to pay the invoice if the District would remove the penalty assessment. The WOB board also agreed that an electronic meter should be installed in the interconnect. After discussion, the Board agreed to waive the penalty and accepted WOB's agreement to pay the invoice. Mr. Taylor also noted that the operators have changed their

procedures and will more regularly invoice districts for water the District provides through its interconnects.

Mr. Taylor described maintenance issues at the District's administration building, including the need for a new air conditioner. He presented an \$8,800 proposal for a 15 SEER 1 ½ ton unit. After discussion, the Board requested that Mr. Taylor obtain two more proposals for discussion next month. Mr. Taylor also offered to get proposals for providing pest control services for the building. The Board agreed it would like to consider proposals for this service. Mr. Taylor next discussed the District's contract with Groundworks for repair of the building's foundation. Before beginning its work, Groundworks performed hydrostatic testing of utility lines under the slab and found a damaged sanitary sewer line. Mr. Taylor indicated that the sewer line repair should be completed before the foundation work begins, but he did not have a proposal from Groundworks or another company. The Board discussed the subject and agreed this project should move forward. Thereafter, the Board unanimously authorized Director Cieslewitz to make a decision on behalf of the Board with regard to the amount of the sewer repair, up to \$5,000, so that work could be completed, and the foundation repair could begin. Finally with regard to the building, the Board asked Mr. Taylor to contact Lupe Montoya and ask him for a proposal to improve the flower beds around the building. However, this work is not to begin until the foundation repair is complete.

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. There were no closed delinquent accounts recommended for write-off or sending to collections. Finally, concerning a question asked at a previous meeting, Mr. Taylor reported there are 15 dead-end main lines in the District. After further discussion of operating matters, upon motion by Director Christensen, seconded by Director Sumpter, the Board unanimously approved the operator's report as presented.

13. Mr. Taylor confirmed that his office had updated the District's emergency operations information and prepared the annual application for critical load status. He reported that these materials have since been submitted to the proper authorities.

14. Mason Mueller presented the engineer's regular report, copy attached, which also addressed recovery efforts at Water Plant No. 2. He briefly mentioned that the engineers continue updating the District's Emergency Preparedness Plan. He also reported his understanding that Harris County Precinct 3 will improve the condition of drainage facilities along Windfern Road to alleviate standing water.

Mr. Mueller addressed the Phase 1 water line rehabilitation project awarded to SKE Construction, LLC. Since the Board's last meeting, the TCEQ had approved the District's application for a change in project scope and use of surplus capital projects funds. Such funds will be used to pay in part for this rehabilitation project.

The Board discussed the District's contract with B5 Construction Co. Inc. for work at Water Plant No. 2. Mr. Mueller presented the contractor's pay estimate No. 4 in the amount of

\$900,169.84. The Board reviewed photographs in Mr. Mueller's report, as well as photographs taken recently by Robert Garcia, showing the extent of the work to date. The tank is nearing completion, and the scrubber is set. The contractor is working on underground piping and electrical, and the plant is anticipated to be complete for startup by early July. Mr. Mueller reported on good coordination between the North Harris County Regional Water Authority surface water contractor and B5 Construction. The Authority's contractor is set to connect surface water lines to the District's facilities in October, which should work well given the progress made by B5. Regarding the Authority's contractor, the Board noted that the gates at Water Plant No. 1 had been left open recently, and the Board wondered if it is due to this contractor. Mr. Taylor stated he would check on this if Director Christensen will alert him the next time she sees the gates open.

Mr. Mueller reported on the status of work at the motor control center at Water Plant No. 1. The District's contractor has identified the need for a different starter to work with the 200 horsepower well pump. To that end, Mr. Mueller informed the Board of a \$51,416 change order to come from this contractor.

Mr. Mueller noted the engineers had reviewed and approved revised plans submitted by the developer of the old Mulligan's tract. Ms. Parks stated that an item for consideration of a reimbursement agreement with that developer will appear on the Board's next meeting agenda.

Mr. Mueller reported being contacted by the engineer for a proposed new pizza restaurant. There is an existing building on the site that has a pre-existing grease trap under the sink. Mr. Mueller will review the design plans for the proposed restaurant, including whether a new external grease trap is included or will be required. Finally, Mr. Mueller discussed a new development by Accu-Tech near the new office warehouse located on Perry Road. As there will be two separate vertical improvements, the District will require a separate tap for the new improvement, even though both buildings are now owned by the same party. After further discussion of engineering matters, upon motion by Director Swannie, seconded by Director Sumpter, the Board unanimously approved pay estimate No. 4 of B5 Construction, the change order of the motor control center contractor, and the engineer's monthly report.

15. The Board discussed matters related to the NHCRWA. Neither the Board nor consultants were aware of any unusual business conducted at the past few Authority meetings. The Board requested that Ms. Parks follow up with the Authority's contractor to demand reimbursement of the District's costs to repair its irrigation lines and backflow prevention devices serving Penny Park that were damaged by this contractor.

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

Secretary