

REID ROAD MUNICIPAL UTILITY DISTRICT NO. 1

Minutes of Meeting of Board of Directors

February 18, 2026

The Board of Directors (“Board”) of Reid Road Municipal Utility District No. 1 (“District”) met on Wednesday, February 18, 2026, 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
Ed Swannie, Director

and the following absent:

None.

Also present were Sergeants Curry and Blackledge of the Harris County Precinct 4 Constable’s office; Mr. John Taylor, District operator; Mr. Mason Mueller, District engineer; Ms. Robin Goin, District tax assessor-collector; Ms. Erin Garcia, District bookkeeper; Mr. Robert Garcia, Champions Hydro-Lawn; Mr. Matthew Sibley of Holt Lunsford; District resident Mr. Caylen Reese; 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. Sergeant Curry addressed the Boards and discussed law enforcement patrol within the districts. He reviewed a written report on activity during January and reported that two sergeants worked within the District during the month. The Board reported that two bronze plaques have been stolen from parks in the District and asked the officers to keep an eye on activity in those areas. Sergeant Curry recommended that the Board file an official report about this theft.

2. John Taylor presented the joint sewage treatment plant operations report, copy attached. During the month, the plant operated at 42% of permitted capacity. There were no permit violations during the month, and rainfall total was 3.35 inches. There were no issues with mercury discharge this month, and the operators have reduced the frequency of testing. Mr. Taylor reported receipt of a letter from the Texas Commission on Environmental Quality authorizing a reduction in the frequency of biomonitoring testing, noting this should result in a reduction in testing costs of approximately \$6,000 per year. Finally, Mr. Taylor reported that the painting contractor is moving along with its work at the plant. Upon unanimous vote, the Board approved the operator’s report as presented.

3. Erin Garcia presented the monthly bookkeeper’s report, copy attached. The Board reviewed checks prepared for payment of current bills and a budget comparison report reflecting 10 months of activity. The bookkeeper also prepared and reviewed a proposed budget, noting comments had been received from the District’s operator. Ms. Garcia invited the directors

and other consultants to do the same in preparation for Board adoption of a 2027 budget next month. After further discussion of bookkeeping matters, upon unanimous vote, the Board approved the report as presented.

4. Mason Mueller presented an engineer's report on the joint plant, copy attached. Referring to the proposed replacement of the ultraviolet system as discussed last month, Mr. Mueller presented a proposal for Board authorization of engineering services, including surveying and inspection. The Board considered the proposal and noted the estimated construction cost. After discussion, upon motion by Director Christensen, seconded by Director Sumpter and unanimously carried, the Board accepted the proposal for engineering services for this project. The Board discussed planning a site visit to observe the UV system and also discuss additional future projects. After discussion, the Board agreed to visit the site on March 20 at 2:00 p.m. with an alternative rain-out date of March 27. After further discussion of engineering matters, upon motion by Director Christensen, seconded by Director Swannie and unanimously carried, the Board approved the engineer's report.

5. The boards opened the floor for public comments. None were offered. The board and consultants of No. 2 exited the meeting.

6. The Board discussed development of property in the District. Matthew Sibley addressed the Board and presented information about his company's PAR 1960 industrial park development on Jones Road. He described the proposed development which is well under way and the public and private utility facilities constructed to date. He then addressed the District's proposed tap fee and requested Board consideration for reduction of same. After discussion, the Board confirmed the accuracy of the tap fee calculated by the District's operator and noted the only available relief would be to allow payment in installments. After consideration, the Board agreed to accept installment payments and also advised the developer to carefully review its plans concerning the accuracy of the size called out for the fire line. Mr. Sibley thanked the Board for its consideration of his company's request.

7. The Board opened the floor for public comments. None were offered.

8. The Board considered the minutes of its meeting held January 21, 2026. Upon motion by Director Sumpter, seconded by Director Swannie and unanimously carried, the Board approved the minutes as presented.

9. Robin Goin presented the tax assessor-collector's report, a copy of which is attached. Through January 31, the District's 2025 taxes were 92.444% collected, which was only slightly less than 2024 collections at this time last year. Ms. Goin presented disbursements for payment of current bills, noting a remaining cash balance upon release of \$137,186.30. Ms. Goin next presented an updated list of businesses with sales tax permits located within areas of the District annexed by the City of Houston for limited purposes under the Strategic Partnership Agreement. Her office submitted the updated list to the City at the end of last month, and she asked the Board to review it for any other possible update. After further discussion of the tax assessor-collector's report, upon unanimous vote, the Board approved the report as presented and authorized release of the disbursements listed thereon.

10. The Board reviewed and thereafter unanimously approved the attached Order confirming engagement of delinquent tax collection attorneys and levying an additional 20% penalty on 2025 taxes remaining outstanding at April 1, 2026 (personal property) and July 1, 2026 (real property).

11. Erin Garcia presented the bookkeeper's report, a copy of which is attached, and reviewed it with the Board. She presented checks written for payment of current bills, noting that the next debt service payment on the District's bonds is due April 1. The balance in the capital projects fund account had risen to \$3,927.64 due to interest earnings from December 2025. Upon release of checks to pay operating expenses, the balance in the general fund account will stand at \$5,470,045.57. Ms. Garcia noted that as planned, the \$158,945.45 pay estimate No. 3 of SKE Construction LLC was being paid with general operating funds. The Board could choose to reimburse the operating fund from a future bond issue for this and upcoming payments to SKE for this project that are not covered by capital projects payments. Ms. Garcia next reviewed the monthly investment report and then presented and reviewed a budget comparison report reflecting activity during 10 months of the current fiscal year. She also presented a proposed operating budget for the next fiscal year and again requested input from directors and consultants before adoption next month. Thereafter, upon motion by Director Christensen, seconded by Director Sumpter and unanimously carried, the Board approved the bookkeeper's report and the disbursements listed thereon.

12. Robert Garcia presented the monthly parks report, copy attached. As requested last month, Mr. Garcia had explored replacement of the missing bronze plaques, and, in an effort to keep costs reasonable, suggested the Board consider using a material other than bronze. After discussion the Board agreed, and Director Sumpter noted he would look in to available alternatives. Finally, the Board asked Mr. Garcia to follow up on an evaluation of the condition of District playground facilities. Upon motion by Director Sumpter, seconded by Director Swannie and unanimous carried, the Board approved the parks report as presented.

13. John Taylor presented the operator's report, copy attached. Water accountability for the month was 95%, and the 10 bacteriological samples taken during the month all had acceptable results. There are 1,503 residential connections and 16 vacant accounts in the District.

Mr. Taylor discussed account delinquencies and submitted a list of 100 delinquent accounts subject to termination of utility service in accordance with the District's Rate Order. The operator requested and received Board approval to write off two uncollectable accounts in the total amount of \$180.39. The operator reported repair of two service line leaks during the month and then addressed updating of the Risk and Resilience Assessment and the Emergency Response Plan. He reported that Municipal Operations & Consulting will update the assessment and the plan for a charge of \$15,500. The operator will prepare both documents at the same time and submit the assessment by the June 30, 2026 deadline and the plan by December 31. The Board accepted the proposal for this work. After further discussion of the operator's report, the Board voted unanimously to approve it and also authorized termination of service to all remaining delinquent accounts in accordance with the District's Rate Order.

14. Ms. Parks reported that the Board is required to review the District's Identity Theft Prevention/Red Flag Program on an annual basis. Mr. Taylor stated that the operators implement the program on behalf of the District and presented a letter confirming same and that no red flag incidents occurred in 2025. Neither the operators nor the attorneys recommended any changes to the District's program. Accordingly, upon motion duly made, seconded, and unanimously carried, the Board adopted the attached Resolution Affirming Identity Theft Prevention Program.

15. The Board discussed proposed improvements at the District's administration building. John Taylor presented three proposals for lighting, ceiling, and flooring work. The Board carefully reviewed same, with Director Sumpter providing detailed input. After discussion, the Board authorized Director Sumpter to coordinate with Mr. Taylor about specifics of the tasks so that Mr. Taylor can obtain updated proposals. Mr. Taylor next presented a proposal for pressure washing the building and sidewalks. After discussion, upon motion by Director Christensen, seconded by Director Sumpter and unanimously carried, the Board approved the pressure washing proposal. The Board asked Mr. Taylor to obtain an estimate for striping the parking lot. Finally, Mr. Taylor discussed efforts to obtain proposals for keypad replacement and alarm service monitoring. He is awaiting responses from ADT and Vivint so the Board can compare them to the proposal from Today's Integration discussed last month.

16. Mason Mueller presented the engineer's monthly report, copy attached. Recovery work at Water Plant No. 2 is substantially complete and the plant is online. The engineers are waiting for completion of punch list items by the contractor before preparation of the final pay estimate.

SKE Construction LLC is continuing to work on the water line rehabilitation project. They are currently working along Early Spring Drive. The engineer presented pay estimate No. 3 in the amount of \$158,945.45 and recommended its approval, which was unanimously granted by the Board. The contractor is also addressing voids beside a sidewalk that were reported by a resident.

Mr. Mueller reported that the North Harris County Regional Water Authority's contractor continues work on the project 31A chloramination system. He noted that the Authority's project 31B, which will serve No. 2, is proceeding faster than project 31A. The District will need to coordinate with No. 2 in connection with notifying residents of the conversion to chloramines as well as to the use of surface water. After further discussion of engineering matters, upon motion by Director Sumpter, seconded by Director Christensen and unanimously carried, the Board approved the engineer's report.

17. The Board discussed matters related to the NHCRWA. It appears the Authority is selling surface water for less than it costs to produce it. As a result, districts within the Authority can expect a rate increase.

18. The Board considered appointment of a director to fill the vacancy created upon the resignation of Karen Brengel. The directors visited with Caylen Reese about his desire and willingness to serve, and noted the Board intended to take action next month to appoint him to the Board.

19. The Board discussed the director election called for May 2, 2026. No candidate had applied for a place on the ballot other than the incumbent directors whose terms expire in 2026. Accordingly, the Secretary of the Board executed a Certificate of Unopposed Candidacy and No Declared Write-In Candidates. Thereafter, upon motion by Director Christensen, seconded by Director Sumpter and unanimously carried, the Board adopted the attached Order Declaring Unopposed Candidates Elected and Cancelling Election. The new terms of office of the directors declared elected will begin at the first Board meeting held after May 2.

20. The attorney stated her office was conducting its annual review of District interconnect contracts. The District is party to such contracts with No. 2, Emerald Forest UD, and White Oak Bend MUD. There are no issues with the expiration dates of such contracts, and Ms. Parks will inform the Board if there are any issues for the Board to address.

21. The Board discussed pending business, including garbage collection within the District. Director Sumpter reported he had ridden along with a Best Trash crew and noted his resulting respect for the drivers and helpers. He did encourage the return of containers to their proper locations. Director Christensen noted comments on social media indicating a desire for the District to offer recycling service. The Board discussed this and noted that recycling is expensive and if the service was added the cost would be passed along to District customers. The Board does not intend to add the service.

22. Ms. Parks reported on the requirement under §203.16 of the Texas Local Government Code that municipal utility districts annually provide to the Texas Comptroller certain records and information concerning their finances and tax rates. The Comptroller posts this information on its Special Purpose District Public Information Database. The attorneys will prepare and submit the required information by the April 1, 2026 deadline.

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

Secretary