

## **REID ROAD MUNICIPAL UTILITY DISTRICT NO. 1**

Minutes of Meeting of Board of Directors

March 18, 2026

The Board of Directors (“Board”) of Reid Road Municipal Utility District No. 1 (“District”) met on Wednesday, March 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; Ms. Rachel Broom, District engineer; Ms. Robin Goin, District tax assessor-collector; Ms. Erin Garcia, District bookkeeper; Mr. Robert Garcia and Mr. David Fernandez, Champions Hydro-Lawn/Ethoscapes; 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 February. The Board had no questions about the report. The directors then took note of an April 21 town hall meeting scheduled by Constable Mark Herman to present comprehensive information on pricing options for patrol contracts effective as of October 1, 2026.

2. John Taylor presented the joint sewage treatment plant operations report, copy attached. During the month, the plant operated at 40% of permitted capacity, and there were no permit violations. Mr. Taylor reported on the status of painting at the plant and presented photographs showing the work. He then reported on failure of the soft start at blower No. 1. He presented a \$13,060.41 proposal from D & D Electric Solutions LLC for a new, branded soft start. After further discussion, the Board unanimously authorized replacement of such equipment in accordance with the proposal. Thereafter, the Board unanimously approved the operator’s report.

3. Erin Garcia presented the joint plant bookkeeper’s report, copy attached. She reviewed checks presented for payment of current bills and presented a budget comparison report reflecting 11 months of activity. After review and discussion of the monthly report, the Board unanimously approved it.

4. Ms. Garcia presented and reviewed a proposed joint plant budget for the 2027 fiscal year and requested Board adoption at this time. She reviewed changes made since last month's meeting. Thereafter, upon motion by Director Swannie, seconded by Director Christensen and unanimously carried, the Board adopted the attached Resolution adopting the sewage treatment plant budget for the fiscal year ending March 31, 2027.

5. It was confirmed that under the terms of its previous engagement, McCall Gibson Swedlund Barfoot Ellis PLLC, would audit the books and records for the joint plant for the fiscal year ended March 31, 2026. The fee for the audit was estimated between \$5,750 and \$6,750. The Board acknowledged receipt of this information and noted no objections.

6. Rachel Broom presented the attached engineer's report on the joint plant. She discussed proposed replacement of the ultraviolet system and noted the engineers are coordinating with the operators on several styles of ultraviolet systems. There is an approximately 26-week lead time on this equipment after it is ordered. The engineers are preparing a summary breaking down the system components being considered for this and other potential projects at the plant. Possible projects include adding a flow splitting basin including RAS pumping after the plant headworks, as well as modifications to current sludge processes. Director Cieslewitz requested the items be prioritized and laid out on a time line. The Board will have an opportunity to observe the existing plant at a site visit scheduled for 2:00 p.m. on March 20. Ms. Broom recommended the Board review the memo discussed at the District's January meeting which contains information about the proposed projects. After discussion, the Board unanimously approved the engineer's report.

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

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

9. The Board considered the minutes of its meeting held February 18, 2026. Upon motion by Director Christensen, seconded by Director Swannie and unanimously carried, the Board approved the minutes as presented.

10. The Board considered its discussion last month about appointment of a director to fill the vacancy created upon the resignation of Karen Brengel. Caylen Reese indicated his willingness to serve. The Board considered appointment of Mr. Reese, and thereafter, upon motion by Director Christensen, seconded by Director Swannie and unanimously carried, the Board passed and adopted the attached Order appointing Caylen Reese as a director for Karen Brengel's unexpired term. The Board considered acceptance of Mr. Reese's qualifications for director. Mr. Reese completed a qualification letter and a statement of appointed officer and oath of office as required by the Texas Constitution. After discussion, upon unanimous vote, the Board approved the qualifications and statement as well as the oath of office for Director Reese and declared him to be fully qualified to enter into a term as member of the Board of Directors. Mr. Reese also completed a questionnaire regarding potential conflicts of interest and received a memorandum regarding Public Information Act/Open Meetings Act training. Director Reese participated in the remainder of the meeting.

11. Robin Goin presented the tax assessor-collector's report, a copy of which is attached. Through February 28, the District's 2025 taxes were 95.152% collected. Ms. Goin presented disbursements for payment of current bills, noting a remaining cash balance upon release of \$126,407.97. After further discussion, upon motion by Director Sumpter, seconded by Director Christensen and unanimously carried, the Board approved the tax assessor-collector's report as presented and authorized release of the disbursements listed thereon.

12. Erin Garcia presented the bookkeeper's report, a copy of which is attached. She reviewed the report with the Board and presented checks written on the general fund account for payment of current bills. She reviewed activity in the debt service fund account and noted a capital projects fund balance of \$4,424.94. She drew the Board's attention to general fund check No. 2602 payable to B5 Construction for pay estimate No. 8 for recovery work at Water Plant No. 2, as well as check No. 2598 payable to SKE Construction LLC for pay estimate No. 4 for the water line rehabilitation project. As noted at previous meetings, the Board expects most of the expenditures for the Water Plant No. 2 recovery project to be covered under the District's property insurance policy. Further, the Board may choose to reimburse the general fund account for the water line rehabilitation project using proceeds from a future bond issue. The Board discussed the status of the District's insurance claim. Ms. Broom and Mr. Taylor noted that the carrier had indicated it would consider paying the claim after receipt of documentation of District payment of all expenses. Ms. Broom confirmed B5's pay estimate No. 8 is the final construction payment for the recovery project, and there will be additional engineering invoice(s), which Ms. Broom will send to the carrier. Upon release of all checks presented today, the balance in the operating account will stand at \$5,757,819.54. The Board noted it will carefully monitor operating expenditures given current and upcoming construction projects.

Ms. Garcia reviewed the monthly investment report and then presented and reviewed a budget comparison report reflecting activity during 11 months of the current fiscal year. Ms. Garcia presented an updated draft operating budget for the fiscal year ending March 31, 2027 and requested Board review and adoption of same. After further review and discussion of the bookkeeper's report and the proposed operating budget, upon motion by Director Christensen, seconded by Director Sumpter and unanimously carried, the Board approved the report as presented, authorized release of the checks listed thereon, and adopted the attached Resolution adopting the 2027 operating budget.

13. The Board discussed an audit of the District's books and records for the fiscal year ending March 31, 2026. It was confirmed that pursuant to its previous engagement, McCall Gibson will prepare this audit, for a fee now estimated to be between \$18,000 and \$20,000.

14. The Board considered a report on District parks and was addressed by David Fernandez of Ethoscapes. Mr. Fernandez presented the attached landscape and hardscape assessment of the District's parks and ponds. He reviewed the detailed assessment with the Board. The Board was interested in the information and expressed an intent to address the condition of landscape and/or facilities, as appropriate, in various areas. The Board noted the first priority would be to address any safety issues. The directors commented that they thought tree trimming and removal should be conducted as a part of the company's regular maintenance duties. The Board asked Ethoscapes to confirm the last time a complete rehabilitation project had been done at these facilities. The Board also asked Ethoscapes to prioritize the work, recommend repair or

replacement, and include cost estimates. The Board appreciated receiving the assessment and looked forward to review of the additional information requested.

Robert Garcia reviewed the monthly parks report, copy attached. He began by reviewing an updated annual maintenance budget for the four-acre Park on the Bend. The cost would rise by \$400 due to the addition of overseeding. Mr. Garcia next discussed replacement of two plaques which had been stolen from the park. He recommended installing aluminum plaques and presented a mock-up for Board review. The Board reviewed the materials and authorized Mr. Garcia to order the signs, requesting that they be installed very securely. Finally, Mr. Garcia presented a \$650 proposal to clean up construction debris dumped behind the tree line at the Park on the Bend. A homeowner had complained about this pile of debris. Rather than accept the proposal, the Board asked the District's operator to look into the situation. After further discussion, upon motion by Director Sumpter, seconded by Director Christensen and unanimously carried, the Board approved the parks report, authorized ordering the new plaques, and approved the updated maintenance budget.

15. John Taylor presented the operator's report, copy attached. Water accountability for the month was 97%. There are 1,502 residential connections and 20 vacant accounts in the District. The Board reviewed a list of February water usage by commercial customers and asked the operator to provide information next month on the high usage by the business at 10541 FM 1960 W.

Mr. Taylor discussed account delinquencies and submitted a list of 85 delinquent accounts subject to termination of utility service in accordance with the District's Rate Order. There were no accounts this month eligible for write-off or sending to collections. The operator reported that a pump at the water plant had been pulled and noted he would bring information next month about repair or replacement costs. Mr. Taylor next discussed conversion to the use of surface water, which will first require a conversion of the District's disinfection system to the use of chloramines. Mr. Taylor described alternative methods for the initial introduction of chloramines into the water distribution system and stated he would be working with the District's engineer on the matter. He noted that the North Harris County Regional Water Authority has asked the District for its chloramine conversion plan. Notices required to be provided to District customers prior to conversion will be sent by the operators within the timeframe set out in Texas Commission on Environmental Quality rules.

Mr. Taylor reported on requests for proposals he had sought concerning installation of a fence around the air conditioning unit at the District's administration building; for flooring, sheet rock, and paint; and to clean and stripe the building's parking lot. He presented proposals for fencing and striping, but the Board noted they appeared high and asked Mr. Taylor to obtain additional quotes, with the input of Director Sumpter. After further discussion of operating matters, upon unanimous vote, the Board approved the monthly report as presented.

16. Rachel Broom presented the engineer's monthly report, copy attached. As discussed earlier during the bookkeeper's report, the Water Plant No. 2 recovery project is complete, and Ms. Broom recommended Board approval and payment of pay estimate No. 8 and final of B5 Construction, as well as change order No. 5 reducing the final contract amount to \$1,949,985. Ms. Broom reported that an electrical contractor of the NHCRWA damaged the

methane scrubber. That contractor repaired the damage, but B5 Construction Co. Inc. will have additional follow up work as a result. Ms. Broom has instructed B5 to advise her of any additional costs incurred, for which the District will seek reimbursement from the Authority's electrical contractor. Ms. Broom reported on the status of the water line rehabilitation project. She presented pay estimate No. 4 of SKE Construction LLC for \$275,641.66 and recommended Board approval and payment of same. She then reported she will attend the Authority's next progress meeting on its Project 31A, continuing to press the issue of reimbursement of repair costs owed to the District by Authority contractors.

Ms. Broom reported that the District had received a request from Kinder Morgan Texas Pipeline for District service to an office area on an approximately eight-acre tract outside the District at 13120 Windfern Road. If the Board would consider serving the tract upon its annexation into the District, then Ms. Broom will undertake an engineering feasibility study to be paid for by Kinder Morgan. After discussion, the Board had no objection to proceeding in this manner. After further discussion of engineering matters, upon unanimous vote, the Board approved the engineer's report as presented and authorized payment of the contractor pay estimates as recommended by the engineer. The Board also discussed preparation for its March 20 site visit at the joint sewage treatment plant.

17. The Board discussed pending business. John Taylor reported that Cy-Hope Inc. had requested irrigation service as well as a domestic water tap. The operators are preparing the requested quotes for same.

18. The Board discussed development of property in the District. Ms. Parks reported that since last month, Matthew Sibley of Holt Lunsford had contacted the District about the tap fee for the company's Par 1960 industrial park development on Jones Road. Holt Lunsford would like to pay the tap fee in four installments over a two-year period. Given the Board's amenability to installment payments expressed last month, Ms. Parks and Mr. Taylor had communicated with Mr. Sibley in this regard, and the operators have set up the installments in their billing system.

19. The Board discussed matters related to the NHCRWA. Ms. Parks described a new fee the Authority's board will consider at its April 6 meeting. The new fee would be charged on groundwater pumped by entities to which the Authority has made surface water available, at a rate \$0.90 higher per 1,000 gallons than the current pumpage fee. The Board noted that this new rate would penalize districts that use their own water wells. The directors also commented on the irony of the situation, given the Authority's long-time encouragement for entities to keep and maintain their wells for supply redundancy. After discussion, upon unanimous vote, the Board directed that the attorney send a letter to the Authority expressing the District's opposition to the new rate.

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

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Secretary