

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

### **Minutes of Meeting of Board of Directors**

**August 19, 2026**

The Board of Directors (“Board”) of Reid Road Municipal Utility District No. 1 (“District”) met on Wednesday, August 19, 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  
Caylen Reese, Director

and the following absent:

Ed Swannie, Director.

Also present were Officer L. Barcenas of the Harris County Precinct 4 Constable’s office; Mr. John Taylor, District operator; Ms. Rachel Broom of Cobb Fendley & Associates, Inc.; Ms. Robin Goin, District tax assessor-collector; Ms. Erin Garcia, District bookkeeper; Mr. Kim Cosco of Ethoscapes; 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. Officer Barcenas addressed the Boards and discussed law enforcement patrol within the Districts during July. He stated that Deputy Hart would begin patrolling within the Districts in the near future and then reviewed a written report of activity in the Districts during the month.

2. John Taylor presented the joint sewage treatment plant operations report, copy attached. The plant operated at 45% of permitted capacity and without permit violations. The operators replaced the variable frequency drive in blower No. 4 during the month. Recent mercury readings were well below allowable limits. Regarding an updated quote from SentiForce for installation of cameras at the sewage treatment plant site, Mr. Taylor requested Board authorization to address the subject at next month’s meeting. After discussion of operating matters, upon unanimous vote, the Board approved the monthly report as presented.

3. Erin Garcia presented the joint plant bookkeeper’s report, copy attached. Ms. Garcia reviewed checks presented for payment of current bills and then presented a budget comparison report reflecting activity during the first four months of the fiscal year ending March 31, 2027. After review and discussion, the Board voted unanimously to approve the report as presented.

4. Rachel Broom presented the attached joint plant engineering report. The engineers have identified two suppliers of ultraviolet (UV) system equipment that can be used in the existing UV basin configuration. The engineers are currently preparing the construction plans and requested Board authorization to solicit bids in September. Following up discussions at the last meeting about hydraulic review of the plant, Ms. Broom stated it might only be necessary to upsize the outfall from the plant, which could be done at a time appropriate for both Boards. Ms. Parks reported that at its July meeting, the Board had authorized the District's engineer to prepare a bond application to the Texas Commission on Environmental Quality. The engineer had since communicated with the District's financial advisor and as a result will include the sludge processing and flow splitting projects in the application. After discussion, the Board voted unanimously to approve the engineer's report and authorized the engineer to solicit bids as requested.

5. The Board discussed the joint sewage treatment plant agreement between the Districts which by its terms will expire on January 31, 2027. The Board indicated there were no terms it sought to revise beyond extending the agreement term. The Board also noted its awareness that the industrial waste orders of each district must contain similar terms, which the Board believed was currently the case, with the possible exception of mercury levels. The attorney for Reid Road No. 2 stated that No. 2 had a separate item on its agenda concerning this matter which it would discuss during its meeting.

6. The Board opened the floor for public comments. None were offered. At this time, the board and consultants of No. 2 exited the meeting.

7. The Board considered the minutes of its meeting held July 15, 2026. After noting the full six pages of content, the Board approved the minutes upon a unanimous vote after a motion made by Director Reese and seconded by Director Sumpter.

8. The Board conducted an annual review of the District's Code of Ethics. Ms. Parks had provided a copy of the document to the directors prior to the meeting, and she recommended no amendments. The Board noted that the Code of Ethics had been amended in 2025 and agreed unanimously that no further amendments were necessary at this time.

9. Robin Goin presented the tax assessor-collector's report, a copy of which is attached. Through July 31, the District's 2025 taxes were 98.105% collected. Ms. Goin presented disbursements from the tax account for payment of current bills, noting a remaining cash balance of \$80,056.17 upon release. After further discussion of tax matters, 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.

10. Robin Goin presented and reviewed a proposed amended and restated contract between the District and BLICO Inc. She reviewed the rate change thereunder, noting that the base monthly charge would increase by \$226. The charge per account would remain the same. After discussion, upon motion by Director Christensen, seconded by Director Sumpter and unanimously carried, the Board approved the new contract and authorized its execution by the proper District officers.

11. Erin Garcia presented the bookkeeper's report, a copy of which is attached. She presented checks written on the general fund account for payment of current bills, calling attention to check No. 2746 payable to the District's tax account, which had been requested by the tax office in connection with payment of tax refunds. Upon release of the checks listed on the report, the balance in the general fund account would stand at \$4,008,998.80, including investments. Ms. Garcia reviewed the deposit refund account, noting that the \$1,900 refund was in connection with a contractor's return of a temporary meter. Next, Ms. Garcia reviewed the monthly investment report, followed by a budget comparison report reflecting activity for the first four months of the fiscal year ending March 31, 2027. The Board noted that the general fund balance was lower than usual, as the insurance claim remained outstanding; plus, part of the water line replacement project was being paid from the general fund account. After further discussion, upon motion by Director Christensen, seconded by Director Sumpter and unanimously carried, the Board approved the bookkeeper's report as presented and authorized release of the checks listed thereon.

12. Kim Cosco of Ethoscapes addressed the Board and reported that Robert Garcia had left the firm to work at an operating company. Going forward, Lenny Hardoin would be Ethoscapes' representative for the District. Mr. Cosco then presented the monthly report on District parks, copy attached. He reported he had driven by the facilities before the meeting and noted they are in good shape. He then suggested the Board consider having tree canopies raised and thinned and would be happy to "audit" the District's trees in all three parks and provide a proposal for such work. To that end, and based on her attendance at an Association of Water Board Directors seminar on grants, Director Christensen stated that a Texas Parks and Wildlife Department representative had indicated that recipients of previous TPWD grants can apply for a grant to rehabilitate the original project. Director Christensen was interested in having the District look into this. Director Sumpter stated that if the District were to apply for such a grant, he would suggest dredging the ponds. After further discussion of the parks report, upon unanimous vote, the Board approved the report as presented.

13. John Taylor presented the operator's report, copy attached. Water accountability for the month was 113%, which Mr. Taylor noted had been caused by a false pressure reading at Water Plant No. 2 due to a booster pump running all night. The auto dialer had not called out, as it had been hit by an electrical surge. The operators are obtaining a 16-channel auto dialer to replace the one that was damaged, as McDonald Electric does not warrant for electrical surges. After discussion, the Board requested that surge protection be added as well.

Mr. Taylor updated the Board on the continuing issue with District customer the Houston Garden Center. The operators have now pulled the customer's meter, as it had begun using water from its private well for its domestic sanitary conveniences. As a reminder, an issue had arisen with this customer because its private well and distribution system with a fertilizer system attached was cross-connected into the District's distribution system, and because its backflow preventer was inoperable. After discussion, the Board reiterated its unanimous support of the operators requiring the customer's compliance with the District's Rate Order. The Board authorized capping the customer's sewer connection if necessary and authorized the District's operator and attorney to coordinate as necessary.

Mr. Taylor reported on the condition of booster pump No.4 at Water Plant No. 1 and stated he would bring a quote next month for a replacement pump. He summarized the four pumps such that: one is working fine, one has been replaced, one is on order, and for the last one, the board would review a proposal he brings next month. It was generally agreed to find a solution to the cavitation issue during the next plant coating project.

Mr. Taylor discussed activity at the District's administration building, reporting that Today's Integration Inc. had installed the equipment for which the District contracted last month. Director Sumpter and Mr. Taylor had done a walk-through of the building, and Director Sumpter has taken the lead on getting proposals for additional previously-discussed work at the building.

Following up findings from the Risk and Resilience Assessment completed earlier this year, Mr. Taylor presented a proposal from Especially Digital, Inc. for installation of another layer of security at the District's motor control center. After discussion, upon motion by Director Christensen, seconded by Director Sumpter and unanimously carried, the Board accepted the proposal from Especially Digital.

In response to a question from the Board, Mr. Taylor stated that methane is monitored at the methane scrubber, and there are vents at the ground storage tanks and the District's wells.

Next, Mr. Taylor reviewed customer billing and collections data and submitted a list of 79 delinquent accounts subject to termination of utility service. These customers were given written notification of the pending termination, and the operators had received no appeals from any customers, nor were any customers present at the meeting to contest their bills. After discussion, the Board unanimously authorized termination of service to the remaining delinquent accounts in accordance with the District's Rate Order. Mr. Taylor then recommended termination of service at two accounts due to attempting payment with bad checks. The Board unanimously agreed with the operator's recommendation. After further discussion of operating matters, upon unanimous vote, the Board approved the monthly report as presented. New flooring, lighting, and sheet rock.

14. The Board agreed to table until next month its annual comparison of the operator's rates to the amounts charged under the District's Fee Schedule. The Board noted that next month it would also like to consider a review of monthly water and sewer rates, and to that end, Mr. Taylor stated the operators could provide information on the rates of surrounding districts.

15. Rachel Broom presented the engineer's monthly report, copy attached. She discussed general District engineering items, reporting on further contact from the Emerald Forest UD engineer requesting an as-built drawing of the interconnect. She noted that Emerald Forest had not indicated it would be requesting any funds from the District, and she had reminded the engineer that Emerald Forest had not yet signed the revised emergency interconnect agreement.

Ms. Broom requested approval to solicit bids in September for rehabilitation of both ground storage tanks at Water Plant No. 1 and stated the engineers are currently working on bid documentation. The Board unanimously agreed and also authorized the engineer to include an

alternate item for a booster pump header as part of this project. While there was no update regarding payment by the District's insurance carrier of engineering fees incurred during the water plant recovery project, Ms. Broom estimated that in total, the Board could reasonably expect recovery of slightly more than an additional \$500,000.

Ms. Broom reported that the engineers attended the final walk-through for verification of outstanding punch list items for the North Harris County Regional Water Authority's (NHCRWA or Authority) Project 31A. It was her understanding that Authority contractor Reytec was prepared to reimburse the District for its costs to repair its damaged water line, as well as to pay for repair of additional damages at Water Plant No. 2. Ms. Broom then discussed requests for service, noting that the engineers continue to coordinate utility extension and annexation of the Kinder Morgan tract. Regarding the Mulligan's/Jones Road/Par 1960 project of Holt Lunsford, Ms. Broom described issues she had spotted in connection with the building's fire suppression system. At this time, Ms. Broom is communicating about this directly with the developer's engineer, but the Board authorized her to loop in the District's attorney as and if necessary. After further discussion of the engineer's report, upon motion by Director Christensen, seconded by Director Sumpter and unanimously carried, the Board authorized the engineers to solicit bids for the tank rehabilitation project in September and add header piping as an alternate item; and to continue working both with the Holt Lunsford engineer and the District's insurance adjuster on outstanding matters.

16. The Board considered obtaining multiple insurance proposals prior to calendar year end. After discussion, the Board agreed to request renewals only from current carriers and stated the insurance agent need not attempt to obtain additional proposals.

17. The Board discussed matters related to the NHCRWA and noted that entity's ongoing issues. The Board discussed the Authority's desire to purchase groundwater credits and asked Ms. Parks to review the District's files regarding any remaining groundwater credits owned by the District.

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

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Secretary