

REID ROAD MUNICIPAL UTILITY DISTRICT NO. 1

Minutes of Meeting of Board of Directors
September 16, 2026

The Board of Directors (“Board”) of Reid Road Municipal Utility District No. 1 (“District”) met on Wednesday, September 16, 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. Lenny Hardoin of Ethoscapes; Ms. Debbie Shelton of Masterson Advisors LLC; 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 August. He reviewed a written report of activity, noting it had been a pretty typical month. He discussed criminal activity at the Walgreens and Hobby Lobby and noted that officers can make arrests for aggravated theft for thefts at multiple locations.

2. John Taylor presented the joint sewage treatment plant operations report, copy attached. The plant operated at 43% of permitted capacity and without permit violations. Mr. Taylor reported on a failure at clarifier No. 3 involving the scum beach. The operators drained and cleaned the tank, made the repair and put the tank back in operation. The issue is not completely resolved, however, as the spare drive will be rebuilt and installed under normal conditions. He noted that the underdrain piping was also disconnected and will be repaired when the spare drive is installed. Mr. Taylor next reported that the cloth filters installed in June, 2025 were failing, although there had been no change in size or operation of the suction pumps. These filters should have lasted five years, and the operators have contacted the manufacturer for assistance in what is hoped would be addressed under warranty. Mr. Taylor reported there was an E. coli violation in connection with the issues at the clarifier and with the filter, and while it should not result in a permit violation, there may be a ramification from the Texas Commission on Environmental Quality (TCEQ).

Mr. Taylor reviewed updated information from SentiForce for installation of cameras at the sewage treatment plant site. Mr. Taylor had spoken with a SentiForce

representative who had confirmed the company would honor its original pricing. Mr. Taylor then discussed power for the units, stating that if solar units are used, SentriForce would add a monthly charge for solar packs. He stated that the operators could run electric lines to avoid the use of solar units and estimated the cost would be less than one year's cost for solar packs. After discussion, upon motion by Director Christensen, seconded by Director Sumpter and unanimously carried, the Board agreed to proceed to add the cameras and also authorized the operator to set up electricity service for them. After further 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 which amounted to \$104,007.14. She then presented a budget comparison report reflecting activity during the first five months of the fiscal year ending March 31, 2027. Both revenues and expenses were slightly below budget for the year to date. After discussion, upon motion by Director Sumpter, seconded by Director Christensen and unanimously carried, the Board approved the report as presented.

4. Rachel Broom presented the attached joint plant engineering report. She reported she had met with the District's operator as well as the operator and engineer for Reid Road MUD No. 2 to discuss the ultraviolet system replacement project. She plans to advertise for bids and present a bid tabulation at the Board's next meeting. Regarding future projects at the plant, Ms. Broom stated that the District is moving forward on planning its bond issue from which the Board will use proceeds to pay its portion of such projects. Design of the projects was planned to begin after sale of the Bonds, and she anticipated the Bonds might be sold at the end of the first quarter of 2027. After discussion, the Board voted unanimously to approve the engineer's report as presented.

5. The Board addressed the joint sewage treatment plant agreement between the Districts which by its terms will expire on January 31, 2027. To that end, Jonathan Roach stated that he would be incorporating comments into the agreement received from Mr. Trachtenberg and Ms. Phillips.

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 opened the floor for public comments, but none were offered. The Board then considered the minutes of its meeting held August 19, 2026. After discussion, upon motion made by Director Reese, seconded by Director Sumpter and unanimously carried, the Board approved the minutes as presented.

8. Robin Goin presented the tax assessor-collector's report, a copy of which is attached. Through August 31, the District's 2025 taxes were 98.385% collected. Ms. Goin presented disbursements from the tax account for payment of current bills, noting a remaining cash balance of \$60,004.48 upon release. Ms. Goin then presented a report from Perdue, Brandon, Fielder, Collins & Mott LLP and reviewed it with the Board. The delinquent tax collection attorneys had recommended sending letters to 19 taxpayers threatening termination of water service if their taxes remained unpaid as of October 21, 2026. After discussion, upon motion by Director Christensen, seconded by Director Sumpter and unanimously carried, the Board

authorized sending the letters as recommended, approved the tax assessor-collector's report as presented, and authorized release of the disbursements listed thereon.

9. Debbie Shelton addressed the Board and presented a cash flow analysis and recommendation with respect to the District's 2026 tax rate. The Board reviewed these materials which among other information reflected a 2026 taxable value of \$466,843,633, including the owners' opinion of uncertified value and 85% of additional uncertified value. The average homestead value for 2026 remained almost flat, at \$201,510. The status of the Idlewilde apartment complex was discussed, and Ms. Goin stated the apartments would be fully exempt in 2027 and had a partially exempted 2026 taxable value of approximately \$3,500,000. Ms. Shelton discussed her analysis and recommendation, noting she had taken into account the Board's intent to issue bonds in 2027. The Board also reviewed the 2026 voter approval tax rate worksheet. The Board considered the attached Resolution Finding District to be Low Tax Rate, Developed, Developing, or Developed District in a Declared Disaster Area, Calling Public Hearing on 2026 Tax Rate, and Authorizing Tax Assessor-Collector to Prepare and Publish Notice of Public Hearing. Upon unanimous vote, the Board found that the District is a Developed District and adopted the attached Resolution so stating. The Board also authorized publication of a notice of a public hearing at which the Board will consider adoption of a total 2026 tax rate of \$0.40381 per \$100 assessed valuation, consisting of a debt service tax of \$0.18 and a maintenance and operations tax of \$0.22381. The attorney noted that after considering a proposed tax rate, the District must update the internet posting required by Tax Code §26.18 and Government Code §2051.202. The Board unanimously authorized the tax assessor-collector to post the required materials in compliance with these laws.

10. 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 and noted that upon release of same, the balance in the general fund account would stand at \$3,901,328.76, including investments. She noted deposit of a \$59,480.70 check from North Harris County Regional Water Authority (NHCRWA or Authority) contractor Reytec Construction Resources to repay the District's costs to repair a line damaged by that contractor. Ms. Garcia next reviewed the deposit refund account, noting a refund to that same contractor of its temporary meter deposit. Next, Ms. Garcia reviewed the monthly investment report, followed by a budget comparison report reflecting activity for the first five months of the fiscal year ending March 31, 2027. 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.

11. Lenny Hardoin of Ethoscapes addressed the Board to present a monthly report on District parks, copy attached. He reviewed the report with Board and noted a washout and area of erosion along a slope at Park on the Bend. The Board requested he bring a proposal to next month's meeting to address this issue. He also noted areas of silt and aquatic vegetation near Autumn Meadow Lane in Harvest Bend Park and stated he would continue to monitor this area. Director Christensen mentioned the company's previous inspection of playground equipment and requested that Mr. Hardoin provide an electronic copy of that report to the Board. Director Sumpter then noted he would get together with Mr. Hardoin to discuss tasks undertaken by the homeowners association to be sure that no efforts or services are duplicated. Director Sumpter also noted that a private citizen had recently replaced the basketball goal at Penny Park. After further discussion, the Board unanimously approved the monthly parks report.

12. John Taylor presented the operator's report, copy attached. Water accountability for the month was 99%, and the 12-month average had risen lately, which Mr. Taylor believed may be related to the District's recent water line rehabilitation project, as well as the reporting of leaks by Board members. The Board reviewed usage by commercial customers. Mr. Taylor then reviewed customer billing and collections data and submitted a list of 83 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 writing off one account in the amount of \$109.70, and after discussion, the Board approved such write-off.

Mr. Taylor presented a \$28,849 proposal for purchase of a split case pump/booster pump No. 4 at Water Plant No. 1, as discussed last month. There is an 18-to-20-week lead time for the arrival of this pump. After discussion, the Board voted unanimously to accept the proposal. Mr. Taylor next updated the Board on the continuing issue with District customer the Houston Garden Center. There was no change from last month; the customer's meter is still pulled. After discussion, the Board again indicated its unanimous support of this action and the requirement that this customer comply with the District's Rate Order. Mr. Taylor also reported the operators believe the customer's current setup presents a health hazard for visitors to its business and recommended the District report this to the Harris County Health Department. After discussion, the Board agreed with this recommendation. Finally, Mr. Taylor discussed activity at the District's administration building. He reported that he and Director Sumpter had further communicated about work to be done at the building, noting Director Sumpter has taken the lead on getting proposals for such previously-discussed work. To that end, and in an abundance of caution, Director Sumpter stated his intent to abstain from voting on any decisions about acceptance of proposals he would bring to the Board. After further discussion of operating matters, upon unanimous vote, the Board approved the monthly operator's report as presented.

13. 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, as well as a review of monthly water and sewer rates.

14. Rachel Broom presented the engineer's monthly report, copy attached. She began with a discussion of general District engineering items, noting that the engineers are preparing the Engineer's Report of Value as requested by the District's insurance agent. She discussed the value of various components and noted that facilities at Water Plant No. 2 would be valued using the costs of the recent rehabilitation work.

Ms. Broom discussed with the Board her work on the bond application report and presented a revised cost summary. She suggested removing the Phase 2 sewer line rehabilitation project and instead including funds for water line rehabilitation. After receipt of Board input, she stated she would rework Table 4 and otherwise proceed with work on the bond application report.

Ms. Broom reported that the engineers are finalizing bid documents for rehabilitation of both ground storage tanks at Water Plant No. 1, including the booster pump header replacement as an alternate item. Bidding for this project would start this month, with bid results and a recommendation for award to be presented next month. She next reported that the engineers

continue to coordinate with the insurance adjuster about the District's claim for the water plant recovery project. Including engineering fees, Ms. Broom is hopeful that the District would recover just under an additional \$700,000. To that end, Ms. Parks reported on her communications with the District's insurance agent on the subject, and the Board requested that she do so again.

Regarding the NHCRWA's Project 31A, Ms. Broom reported that the engineers had been requesting as-built plans. She further noted that so far, there had been no issue with warranty items. Ms. Broom reported that the engineers continue to coordinate utility extension and annexation of the Kinder Morgan tract, and she then reported on the fire suppression system at the Mulligan's/Jones Road/Par 1960 project of Holt Lunsford. She continues to work with the project engineers on this matter so that there is an understanding of the additional work needed. To that end, Ms. Broom asked the Board if it would consider reimbursing the developer for such additional work, and after discussion, the Board unanimously indicated it would consider reimbursement of such costs. After further discussion of the engineer's report, upon motion by Director Christensen, seconded by Director Sumpter and unanimously carried, the Board approved the engineer's report.

15. The Board discussed the District's emergency interconnect agreement with White Oak Bend MUD. Ms. Parks reported that this agreement would expire in June 2027. The Board acknowledged this fact and noted that the District neither utilizes nor needs the interconnection. In that case, Ms. Parks agreed not to approach the other district about renewal of same.

16. The Board discussed matters related to the NHCRWA and noted that three Authority directors are up for election in November. It was believed that one of these three directors was moving and would not run for reelection. The Board asked Ms. Parks to obtain information about all candidates for the director positions with expiring terms. Ms. Parks reported on a recent communication by Harris County Fresh Water Supply District No. 61 with various state-level elected officials as well as top officials at the TCEQ, the Texas Water Development Board, the Association of Water Board Directors, and other regional water authorities. The communication brought to these officials' attention the actions of the Authority's board over the past several years to the detriment of that entity and its constituents, and requested an independent review to determine whether the enacted policies are fiscally responsible and in the best interests of the residents that the Authority serves. Ms. Parks distributed a copy of such letter for Board review and informed the Board that No. 61 and the Harris County Water Users Coalition are encouraging other water districts to send letters to these same officials supporting No. 61's request. The Board discussed the idea and thereafter unanimously voted to join in the effort and send a letter of support.

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

Secretary