

NEWPORT MUNICIPAL UTILITY DISTRICT
Minutes of Meeting of Board of Directors
January 15, 2026

The Board of Directors (“Board”) of Newport Municipal Utility District (“District”) met at 16401 Country Club Drive, Crosby, Texas, on January 15, 2026, in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

DeLonne L. Johnson, President
Margarette Chasteen, Vice President
Deborah Florus, Secretary
R. Gary Hasse, Director
Brandon Lankford, Director

and the following director absent:

None.

Also present were Don Cox, Jimmy Jackson, Abby Stanhouse, Brent Fleischer, Rich Harcrow, Andrea Martin, Debbie Shelton, Brittany Keeswood, Jorge Diaz, Douglas McNiel, and Lori G. Aylett.

The President called the meeting to order and declared it open for such business as might properly come before it.

1. The President entertained public comments. Hearing none, the Board continued with the meeting.

2. Minutes of the meeting of December 18, 2025, were presented for the Board’s review and approval. Upon unanimous vote, the minutes were approved as presented.

3. No garbage collection report was provided.

4. Abby Stanhouse presented the engineer’s report, a copy of which is attached. Ms. Stanhouse presented updates for developer projects. Ms. Stanhouse presented Pay Estimate No. 4 to Blazey Construction Services, LLC for Construction of the Water, Sanitary Sewer, Force Main, Drainage and Detention Facilities Section 1 to Serve Enclave at Newport in the amount of \$93,605.89.

After discussion, upon unanimous vote, the Board approved Pay Estimate No. 4. The Board concurred with the developer’s payment of the pay estimate.

Next, Ms. Shipley presented updates on District projects. First, Ms. Shipley presented Pay Application No. 11 to Industrial TX Corp. for Surface Water Treatment Plant Expansion in the amount of \$592,907.25. Then, Ms. Shipley presented Pay Application No. 1 to Bull G Construction, LLC for Sanitary Sewer Phase 6 Rehabilitation in the amount of \$64,058.40. Lastly, Ms. Shipley requested that the Board approve a one-year Utility Commitment Request for 111 connections in Newport Pointe Section 7 and 46 connections in Newport Pointe Section 8.

After discussion, upon unanimous vote, the Board approved Pay Application No. 11 and Pay Application No. 1 and the Utility Commitment. Upon unanimous vote, the Board approved the remainder of the engineer's report as presented.

Following the engineer's report, Ms. Stanhouse discussed a request from Purifics for the use of photos of the Purifics' equipment post-installation. Ms. Stanhouse recommended that the Board negotiate a contract with Purifics for the use of any images, and the Board concurred with her recommendation.

5. Ms. Stanhouse noted that the renewal of the master Stormwater Permit was effective January 8, 2026 and runs through December 2026.

6. The Board discussed the District's office and meeting building. The engineer noted that this is a top priority and that they are working with FEMA to compile all of the requested data. Director Hasse mentioned that the required approvals should arrive within months and recommended that the District begin the civil engineering work on the planned structure. Director Hasse and Director Lankford will lead the committee for the office and meeting building. It was noted that the previous architectural designs will need to be modified to accommodate Si Environmental renting out space for up to three employees. The Board requested this item stay on the agenda for future discussion.

7. The Board reviewed the memo prepared by Ms. Aylett regarding the 2026 Groundwater Reduction Contracts Multi-Year Contract CPI Calculations. The 2025 CPI was 1.6490%, so for any current multi-year contracts, the price will increase by that percentage. The Board also discussed the rate at which the District should offer new contracts in 2026. After discussion, upon a vote, the Board authorized the 2026 contract price of \$5.75. Director Chasteen voted in opposition to the motion.

8. Lori Aylett gave the attorney's report. Ms. Aylett provided an update on her discussions with the International Union of Operating Engineers (IUOE). The IUOE has concerns regarding the developer Taylor Morrison's use of easements for work adjacent to their property. The IUOE would like the District and the developer to ensure that there is adequate fencing around the roads on the easements. Next, the Board discussed authorizing the proxy vote of District-owned lots for purposes of establishing a quorum for the Newport Property Owners Association ("NPOA") meeting. Upon unanimous vote, the Board authorized the proxy vote of District-owned lots for purposes of establishing a quorum for the NPOA meeting. Ms. Aylett noted that previous agendas had designated the "Community Room next to the fitness center" at the country club as a meeting place. The District will continue to utilize the country club as a meeting place, but the agendas will not designate a particular meeting room since the meetings may occur in different rooms at the same address. Lastly, Ms. Aylett distributed the District's 2026 calendar to the Board members.

9. Debbie Shelton did not have a financial advisor's report.

10. Brittany Keeswood presented a tax assessor collector's report, a copy of which is attached. The District's 2024 taxes were 98.81% collected. Five (5) checks were presented for the Board's review and approval, and two (2) wire transfers were made. The Defined

Area No. 1's 2024 taxes were 97.38% collected. No checks were presented for the Board's review and approval, and one (1) wire transfer was made. The Defined Area No. 2's 2024 taxes were 100% collected. No checks were presented for the Board's review and approval, and no wire transfers were made. Upon unanimous vote, the Board approved the tax assessor collector's report as presented.

11. The Board considered the attached Resolution Requesting Certified Estimate of Taxable Value of Properties within Newport Municipal Utility District, Newport Municipal Utility District Defined Area No. 1, and Newport Municipal Utility District Defined Area No. 2. The Financial Advisor needs the certified estimate of value to begin preparing the future bond issues for the District. Upon unanimous vote, the Board approved the Resolution Requesting Certified Estimate of Taxable Value of Properties within Newport Municipal Utility District, Newport Municipal Utility District Defined Area No. 1, and Newport Municipal Utility District Defined Area No. 2.

12. The Board discussed 2026 tax exemptions. The District currently offers an over-65 or disabled exemption of \$37,500. After consideration, upon unanimous vote, the Board voted to adopt the attached Order Adopting Residence Homestead Exemption for Persons 65 or Older or Disabled, with the order reflecting an exemption of \$37,500.

13. There was presented the attached Order Levying Additional Penalty for Delinquent Taxes. The order levies a 20% penalty on 2025 delinquent taxes for business personal property on April 1, 2026, and for real property on July 1, 2026. Upon unanimous vote, the Order was adopted as presented.

14. Jorge Diaz presented a bookkeeper's report, a copy of which is attached. Upon unanimous vote, the Board approved the bookkeeper's report as presented and authorized payment of bills with checks listed thereon.

15. Rich Harcrow and Andrea Martin presented the operations and billing collections report, a copy of which is attached. The District accounted for 99% of the water produced. The wastewater treatment plant operated within permit. There were three (3) new taps made for the month. Total current billing was \$515,597.73, and the District received collections from prior months of \$574,242.54. Ms. Martin informed the Board of one customer adjustment due to a mix-up in the water meter reads. Upon unanimous vote, the Board approved the report as presented.

16. Mr. Harcrow presented the parks and recreational facilities report, a copy of which is attached. Mr. Harcrow informed the Board that 1,787 key fobs have been issued as of December 2025. Mr. Harcrow noted that the District's splashpads have been closed for the season. After discussion, upon unanimous vote, the Board approved the parks and recreational facilities report as presented.

17. No developer's report was presented.

18. Mr. Jimmy Jackson of Ameresco reviewed, in detail, the Electric Supply Recommendation Summary for Newport Municipal Utility District. The Board discussed the benefits of selecting a plan with a longer term—48 months or 60 months. The electricity

committee, composed of Director Johnson and Director Hasse, will select a plan within the upcoming weeks and report to the Board at the February meeting.

19. There was presented the attached Order for Election of Directors. The attorney noted that if an election were required to be held, it would be held on the uniform election date of Saturday, May 2, 2026. Upon unanimous vote, the Board adopted the Order as presented.

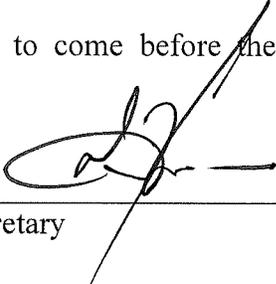
20. The Board discussed Texas Tax Code Section 26.18 compliance. The attorney advised that pursuant to state law, the District is required to make certain information about the District available on a publicly accessible website. The information includes names and contact information for directors of the District, the current budget and prior two years' budgets, a comparison by dollar amount and percentage of the current budget to the prior year's budget, the current and prior two years' debt service and maintenance tax rates, the proposed current year tax rate, and the current audit. The document will be required to be amended several times of the year after the adoption of the budget, proposal and levy of the tax rate, and approval of the audit. Since the District has begun a new tax year, the document must be amended to reflect that a 2026 tax has not yet been levied. Upon unanimous vote, the Board approved the Tax Code 26.18 compliance document and authorized the attorney to make it available on the District's website as required by law.

21. The Board discussed public education and outreach. Director Chasteen will continue to work with the engineers to put together the newsletter. Director Chasteen and Director Hasse will also coordinate on highlighting the upkeep performed on the District's trails in future newsletters.

22. Ms. Aylett presented two groundwater reduction contracts for review. After discussion, upon unanimous vote, the Board approved the groundwater reduction contracts with Limeco and Kenneth A. Kirsch.

23. Under public comments, Mr. Don Cox questioned the engineer on the Newport Enclave sewage pipes.

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



Secretary