

NEWPORT MUNICIPAL UTILITY DISTRICT
Minutes of Meeting of Board of Directors
March 19, 2026

The Board of Directors ("Board") of Newport Municipal Utility District ("District") met at 16401 Country Club Drive, Crosby, Texas, on March 19, 2026, in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

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

and the following director absent:

None.

Also present were Robert Arcement, Joshua Mueller, Rod Rudine, Margarete Chasteen, Don Chasteen, Don Cox, Billy Killian, Abby Stanhouse, Rich Harcrow, Andrea Martin, Debbie Shelton, Brittany Keeswood, Jorge Diaz, Lori G. Aylett and Douglas McNiel.

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. Rod Rudine introduced himself as a representative of Texas Groundworks Management ("TGM"). He discussed the landscaping and ground management services offered by TGM. Don Cox then voiced concerns regarding the dirt compaction on the development off of South Diamondhead. The engineer will review the compaction reports and ensure that the compaction is being handled to applicable standards. Mr. Cox then noted his appreciation for Margarete Chasteen's service to the District.

2. The Board accepted the resignation of Director Margarete Chasteen. The Board adopted the attached Resolution of Appreciation for the Service of Margarete Chasteen, noting her exemplary decade of service to Newport Municipal Utility District, including her successful shepherding of bond elections and implementation of a tree-planting program. Ms. Chasteen expressed her gratitude to the Board and the consultants.

3. Minutes of the meeting of February 19, 2026, were presented for the Board's review and approval. Upon unanimous vote, the minutes were approved as presented.

4. Billy Killian provided a garbage collection report. Mr. Killian noted Ms. Chasteen's influence in growing Frontier's business and thanked her for her service.

5. 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. 5 to Bull-G Construction, LLC for Construction of the Offsite Water Line and Sanitary Force Main to Serve Newport Grove in the amount of \$82,903.50. After discussion, upon

unanimous vote, the Board approved Pay Estimate No. 5. The Board concurred with the developer's payment of the pay estimate.

Next, Ms. Stanhouse presented updates on District projects. First, Ms. Stanhouse presented Pay Application No. 13 to Industrial TX Corp. for Surface Water Treatment Plant Expansion in the amount of \$552,080.64. Then, Ms. Stanhouse presented Pay Application No. 3 to Bull G Construction, LLC for Sanitary Sewer Phase 6 Rehabilitation in the amount of \$85,797.50. Next, Ms. Stanhouse presented Pay Application No. 3 to T Gray Utility/AIMS, LLC for Sanitary Sewer Phase 5 Manhole Rehabilitation in the amount of \$28,890.00. Lastly, Ms. Stanhouse presented the Memorandum of Understanding Regarding Water and Wastewater Service to Crosby ISD for the Proposed Elementary School at the Northeast corner of FM 2100 and North Diamondhead Boulevard. Robert Arcement, the program manager for Crosby ISD, discussed the request with the Board. Crosby ISD is requesting six (6) equivalent single-family connections and the District's participation in an out-of-district service agreement.

After discussion, upon unanimous vote, the Board approved Pay Application No. 12, Pay Application No. 3, and Pay Application No. 3. The Board authorized issuance of correspondence to Crosby ISD confirming availability of six ESFC's and further outlining procedures for consideration of an Out-of-District Service agreement, all as provided in the Memorandum of Understanding. Upon unanimous vote, the Board approved the remainder of the engineer's report as presented.

6. The Board authorized the engineer to prepare a cost summary and bond application report for Defined Area 1.

7. The Board considered the request from Crosby ISD for out-of-district service agreement for elementary school in the engineer's report.

8. The office and meeting building committee presented updates. Director Hasse and Director Lankford are leading the committee's efforts for the office and meeting building. The operator noted that the current square footage will work for the SI employees, but the employees will be in cubicles instead of individual offices. Directors Johnson and Hasse engaged in discussion regarding the building plans.

9. Lori Aylett informed the Board that New Cingular Wireless PCS, LLC has returned comments to the Structure Lease Agreement. The attorney will provide further updates at the District's April meeting.

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

11. Brittany Keeswood presented a tax assessor collector's report, a copy of which is attached. The District's 2025 taxes were 94.05% collected. Twenty-two (22) checks were presented for the Board's review and approval, and two (2) wire transfers were made. The Defined Area No. 1's 2025 taxes were 90.00% 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 2025 taxes were 100% collected. No checks were presented for the Board's review and approval, and zero wire transfer were made. Upon unanimous vote, the Board approved the tax assessor collector's report as presented.

12. 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.

13. Rich Harcrow and Andrea Martin presented the operations and billing collections report, a copy of which is attached. The District accounted for 95% of the water produced. The wastewater treatment plant operated within permit. There were zero (0) new taps made for the month. Total current billing was \$527,843.34, and the District received collections from prior months of \$562,330.17. Lastly, Mr. Harcrow presented a proposal from Richard's Trucking Company, Inc. for \$20,307 for additional materials for the walking trails clean-up. Mr. Harcrow also mentioned the request from Richard's Trucking that the Board provide half of the payment for phase 1, in the amount of \$12,028.50. Both Mr. Harcrow and Director Hasse noted that they have monitored the project and believe the payment is justified based upon the work already performed. After discussion, The Board raised no objections to issuing the payment. Upon unanimous vote, the Board approved the report as presented and approved the proposal from Richard's Trucking Company, Inc.

14. The Board discussed the utility account write-offs. The operator requested that the Board table this agenda item until the April meeting. The operator also asked the Board if the Board would prefer to receive write-off requests on a quarterly basis as opposed to an annual basis. The Board noted that they would like to receive write-off requests on a quarterly basis.

15. Mr. Harcrow presented the parks and recreational facilities report, a copy of which is attached. Mr. Harcrow informed the Board that 1,801 key fobs have been issued as of December 2025. After discussion, upon unanimous vote, the Board approved the parks and recreational facilities report as presented.

16. Joshua Mueller of Taylor Morrison presented a developer's report for Newport Grove.

17. The Board considered the acceptance of conveyance of certain drainage and detention reserves by Newport Pointe. Land costs for the reserves were paid with the proceeds of the Series 2025 Defined Area Bond, and the engineer and operator have confirmed that the reserves are complete and ready for District maintenance. Upon unanimous vote, the Board approved the acceptance of conveyance of reserves by Newport Pointe.

18. The operator discussed the notice of CPI adjustment received from Si Environmental. The CPI adjustment is contractual and does not require approval by the Board of Directors. This year's annual adjustment was 5.3%.

19. The Board then considered the attached Order Declaring Unopposed Candidates Elected and Canceling Election. The Board reviewed a secretary's certificate certifying that all candidates for office of director are unopposed, and the deadlines for filing an application to be a candidate have expired. After discussion, upon unanimous vote, the Order was approved and executed.

20. The Board discussed public education and outreach.

21. Two groundwater reduction contracts were presented for review. Upon unanimous vote, the Board approved the groundwater reduction contracts with T/H Land Holdings, Ltd. And Newton Nurseries.

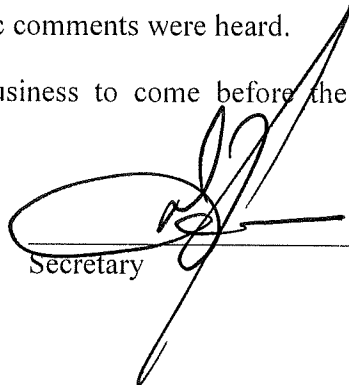
22. No executive session was held.

23. The Board considered the election of officers. Upon unanimous vote, the Board agreed to the following slate of officers:

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

24. No additional public comments were heard.

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


Secretary