

NEWPORT MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors

June 19, 2025

The Board of Directors (“Board”) of Newport Municipal Utility District (“District”) met at 16401 Country Club Drive, Crosby, Texas, on June 19, 2025, in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

Margarette Chasteen, President
DeLonne L. Johnson, Vice President
Deborah Florus, Secretary
Earl B. Boykin, Assistant Secretary
R. Gary Hasse, Director

and the following director absent:

None.

Also present were Abby Stanhouse, Jason Kassu, Rich Harcrow, Andrea Martin Debbie Shelton, Brittni Silva, Jorge Diaz, 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. No public comment was presented.

2. Minutes of the meeting of May 15, 2025 and the meeting of June 5, 2025, were presented for the Board’s review and approval. Upon unanimous vote, the minutes were approved as presented.

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

DeLonne L. Johnson, President
Margarette Chasteen, Vice President
Deborah Florus, Secretary
Earl B. Boykin, Assistant Secretary
R. Gary Hasse, Director.

4. Billy Killian presented a brief garbage collection report.

5. Abby Stanhouse presented the engineer’s report, a copy of which is attached. First, Ms. Stanhouse introduced her colleague Mr. Jason Kassu. Then, Ms. Stanhouse presented updates for developer projects. Ms. Stanhouse presented Pay Estimate No. 2 to 5J Services, LLC for Construction of the Newport Grove Lift Station No. 1 to Serve Newport Municipal Utility District in the amount of \$98,640.10. Ms. Stanhouse presented Pay Estimate No. 3 to 5J Services, LLC for Construction of the Newport Grove Lift Station No. 1 to Serve Newport Municipal Utility District in the amount of \$120,564.00. After discussion, upon unanimous vote,

the Board approved Pay Estimate No. 2 and Pay Estimate No. 3 and concurred with the developers' payments of such pay applications.

Next, Ms. Stanhouse presented updates on District projects. Ms. Stanhouse presented Pay Application No. 11 and Final to AR Turnkey Construction Co., Inc. for South Diamondhead at Gum Gully Utility Relocation in the amount of \$223,479.95. Then Ms. Stanhouse presented Purifics Invoice No. 696 for Equipment Storage, including insurance, in the amount of \$10,000. Then Ms. Stanhouse presented Pay Application No. 4 to Industrial TX Corp. for Surface Water Treatment Plant Expansion in the amount of \$285,187.50. After discussion, upon unanimous vote, the Board approved Pay Application No. 11 and Final, Purifics Invoice No. 696, and Pay Application No. 4.

The engineer then reviewed the three (3) bids received for the Wastewater Treatment Plant Improvements. The engineer recommended the Board award the contract to Electrical Field Services, Inc. for a contract price of \$66,870 and 120 calendar days construction time. After discussion, upon unanimous vote, the Board awarded the Wastewater Treatment Plant Improvements contract to Electrical Field Services, Inc. for a contract price of \$66,870 and 120 calendar days construction time.

Upon unanimous vote, the Board approved the engineer's report as presented.

6. The attorney presented updates to the status of work related to the Out-of-District Water Service Agreements with Newport Plaza and Them Sum. The District is waiting for Newport Plaza and Them Sum to execute the respective agreements and provide executed documents.

7. Douglas McNiel then requested authorization for his firm to work with the operator to compile and submit to CenterPoint Energy the information required to comply with the emergency operations and critical load status for District facilities. This report will register with CenterPoint Energy and other emergency operations agencies the District's critical water and wastewater infrastructure, and those facilities will be given priority for restoration of service after a hurricane or other disaster. In addition, the attorney will submit contact information to emergency operations agencies for the County and the State, as required by law.

8. Mr. McNiel did not have an attorney's report.

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

10. Mr. McNiel informed the Board that the District's Series 2025 Bond sale has closed. He presented the amendment to Statement of Directors following issuance of Series 2025 bonds. The attorney noted that the amendment is filed in the real property records of Harris County and notifies the property owners that the land is in Newport Municipal Utility District, how much bond debt has been authorized and issued by the water district, and what the current tax rate is. Because the District has issued additional bonds, the statement must be amended. Upon unanimous vote, the Board approved the amendment to the Statement of Directors and authorized its execution by all Directors who were present.

11. Brittni Silva presented a tax assessor collector's report, a copy of which is attached. The District's 2024 taxes were 97.52% collected. Four (4) 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 96.50% collected. Zero (0) checks were presented for the Board's review and

approval, and one (1) wire transfer was made. Defined Area No. 2's 2024 taxes were 100% collected. Zero (0) checks were presented for the Board's review and approval, and zero (0) wire transfers 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 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 2 new taps made for the month. Total current billing was \$503,531.14, and the District received collections from prior months of \$577,234.90. Upon unanimous vote, the Board approved the report as presented.

14. The Board reviewed a Consumer Confidence Report (the "CCR"). Upon unanimous vote, the Board approved the CCR as presented and authorized its distribution through a URL on the water bill.

15. Mr. Harcrow presented the parks and recreational facilities report, a copy of which is attached. Mr. Harcrow informed the Board that 1,704 key fobs have been issued as of June 2025. Mr. Harcrow then presented a proposal from Lone Star Lake Management for an air diffuser system with either two or three diffusers. After discussion, upon unanimous vote, the Board approved the proposal from Lone Star Lake Management for an air diffuser system with three diffusers for the cost of \$5,140.23.

16. No developer's reports were presented.

17. Mr. McNiel provided a brief update to the Board on the proposed contract with New Cingular Wireless PCS, LLC for a Structure Lease Agreement to lease space on the elevated water tank at Newport's water treatment plant. The Board agreed that the attorney's office should continue to negotiate with Cingular.

18. Mr. McNiel provided a brief update to the Board on the proposed contract with GTE Mobilnet of South Texas Limited Partnership d/b/a Verizon Wireless for a Structure Lease Agreement to lease space on the elevated water tank at Newport's water treatment plant. He noted that Verizon returned comments to the contract with a significantly lower rent and annual increase than offered by Cingular. The Board weighed the pros and cons of the lower payment terms, as well as the proposed terms that were not advantageous to the District. After discussion, the Board requested the attorney's office inform Verizon of the District's final offer and confirm whether or not Verizon is willing to negotiate on payment.

19. The Board discussed the Frontier Waste contract for garbage collection. Mr. Killian and Terry Woodson informed the Board that Frontier will likely decide to end the contract with Newport at the current terms due to the high levels of inflation. The Board noted that the District is pleased with Frontier's service. The Board will hold a special meeting on Wednesday July 2 at 4:30 pm to discuss the district's solid waste collection contract.

20. The Board discussed public education and outreach. Director Chasteen will continue to coordinate with the engineer to compose the monthly website newsletter. Director

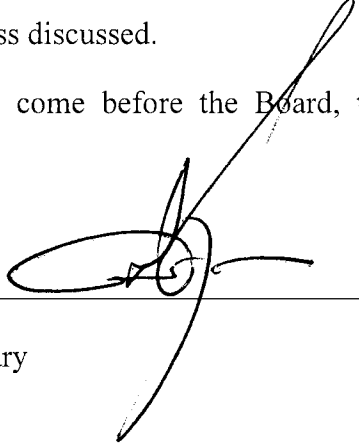
Hasse noted that he has information and photos of the drums provided by Texas Drum to include in the newsletter.

21. The Board considered one groundwater reduction contract with Houston Garden Center. Upon unanimous vote, the Board approved the contract as presented.

22. No Executive Session was held.

23. There was no pending business discussed.

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



Secretary