

NEWPORT MUNICIPAL UTILITY DISTRICT
Minutes of Meeting of Board of Directors
April 16, 2026

The Board of Directors (“Board”) of Newport Municipal Utility District (“District”) met at 16401 Country Club Drive, Crosby, Texas, on April 16, 2026, in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

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

and the following director absent:

None.

Also present were Josh Rambo, Billy Killian, Kelly Shipley, Brent Fleischer, Tim Ervin, Rich Harcrow, Andrea Martin, Debbie Shelton, Brittini Silva, 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. Hearing none, the Board continued with the meeting.

2. Minutes of the meeting of March 19, 2026, were presented for the Board’s review and approval. Upon unanimous vote, the minutes were approved as presented.

3. Billy Killian provided a garbage collection report.

4. Josh Rambo presented an audit report of the District’s books and records for the fiscal year ended December 31, 2025. The auditor is issuing an unmodified “clean” opinion. The District has a very healthy reserve in the general fund. The Board reviewed its revenues and expenditures in detail. Upon unanimous vote, the Board approved the audit report and authorized its filing as required by law.

5. The attorney noted that with approval of the District’s audit, the District is required to update the transparency report required by Tax Code Section 26.18. Upon unanimous vote, the Board authorized the attorney to update the compliance document.

6. There was presented the attached Resolution Affirming Review of Investment Policy, Strategies and Objectives and a list of approved brokers/dealers. The attorney noted that according to the Public Funds Investment Act, the District is annually required to review its investment policy to assure its compliance with Texas law. The attorney recommended no revisions to the investment policy, and the auditor’s report noted no deficiencies with respect to how the District’s investments are handled. The Board reviewed the list of brokers/dealers to be

authorized to engage in investment transactions with the District. Thereafter, upon unanimous vote, the Board adopted the Resolution and the broker/dealer list as presented.

7. The Board considered review of the District's investments for compliance with Chapter 2270 of the Texas Government Code. The attorney reminded the Board that Senate Bill 253 prohibits the District from investing with entities that support terrorist organizations. The District's investment officer must periodically review a list of such entities that will be prepared by the Texas Comptroller of Public Accounts and made available on its website. The Board authorized the investment officer to perform periodic reviews to confirm compliance with this law.

8. The attorney discussed the continuing disclosure filing required with regard to the District's outstanding bonds. Pursuant to bond orders previously adopted, the District is required to annually update certain material information, including the audit, that might be of interest to District bondholders. Upon unanimous vote, the Board authorized the attorney to make the continuing disclosure filing as required by law.

9. Kelly Shipley presented the engineer's report, a copy of which is attached. Ms. Shipley presented updates for developer projects. Ms. Shipley Change Order No. 2 for Proposed Traffic Signal Installation FM 2100 at Rolling Breeze Drive increasing the contract price by \$11,075 for repairs and modifications required to due to damages to recently installed items caused by a traffic incident. After discussion, upon unanimous vote, the Board approved Change Order No. 2.

Next, Ms. Shipley presented updates on District projects. First, Ms. Shipley presented Pay Application No. 13 to Industrial TX Corp. for Surface Water Treatment Plant Expansion in the amount of \$487,943.75. Then, Ms. Shipley presented Pay Application No. 4 to Bull G Construction, LLC for Sanitary Sewer Phase 6 Rehabilitation in the amount of \$23,854.50. Then, Ms. Shipley presented Pay Application No. 1 to All Team Solutions, LLC for Sanitary Sewer Phase 8 Manhole Rehabilitation in the amount of \$42,750.00. Then, Ms. Shipley requested authorization to renew the Wastewater Treatment Plant (WWTP) Stormwater Multi-Sector General Permit (MSGP) NOI (TXR05AX75).

After discussion, upon unanimous vote, the Board approved Pay Application No. 13, Pay Application No. 4, and Pay Application No. 1. The Board also authorized the engineer to renew the WWTP Stormwater Multi-Sector General Permit (MSGP) NOI (TXR05AX75).

Lastly, Ms. Shipley discussed the Patiowoods Water Line Replacement and requested authorization to continue discussions with Harris County on potential water line replacements. Ms. Shipley described the cost savings to the District that could accrue through joint participation with the County in the Patiowoods water line replacement. After discussion, the Board authorized the engineer to continue discussions with Harris County. Upon unanimous vote, the Board approved the remainder of the engineer's report as presented.

10. 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. Directors Johnson and Hasse engaged in discussion regarding the building plans.

11. Lori Aylett discussed a request from a landowner for the purchase of the property where the old South Diamondhead Lift Station had been before its relocation. The

operator noted that this property is useful for access to the District's current facilities. The Board instructed the attorney to decline the landowner's purchase inquiry.

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

13. Brittni Silva presented a tax assessor collector's report, a copy of which is attached. The District's 2025 taxes were 95.67% collected. Ten (10) checks were presented for the Board's review and approval, and two (2) wire transfers were made. Defined Area No. 1's 2025 taxes were 93.28% 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 transfers were made. Upon unanimous vote, the Board approved the tax assessor collector's report 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 98% of the water produced. The wastewater treatment plant operated within permit. The operator informed the Board that the operator de-ragged the muffin monster at the Wastewater Treatment Plant. There were three (3) new taps made for the month. Total current billing was \$512,597.73, and the District received collections from prior months of \$536,532.26. Then, Mr. Harcrow presented a proposal from Richard's Trucking Company, Inc. for \$7,375 for phase 2 of the walking trails clean-up. Lastly, Director Hasse led a discussion regarding the District's billing procedures. He reiterated that the District should encourage customers to choose paperless billing by increasing the cost for physical billing. The Board expressed general support for this idea but noted that changes to the rate schedule would be required. Upon unanimous vote, the Board approved the report as presented and approved the proposal from Richard's Trucking Company, Inc.

16. The Board discussed the utility account write-offs. The operator requested that the Board table this agenda item until the May meeting.

17. 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. The operator discussed the park signs and recommended that the signs be reviewed and refurbished. The Board requested that the operator standardize the signs to remove the name of the park and place a smaller, separate, sign above the park sign with the name. The directors, attorney, and operator will review the language of the park signs. After discussion, upon unanimous vote, the Board approved the parks and recreational facilities report as presented.

18. No developer's report was presented.

19. The attorney provided an update on the Structure Lease Agreement with New Cingular Wireless PCS, LLC. New Cingular requested revisions to the contract that would require the District to provide notice prior to removal of equipment in an emergency condition. The attorney has informed New Cingular that their proposed revisions are unacceptable to the District. The attorney continues to negotiate with New Cingular and will provide additional updates at future meetings.

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20. The Board reviewed the attached Order for Adoption of Schedule of Water and Waste Collection and Disposal Service Fees and Rates. After discussion, upon unanimous vote, the Board approved the Rate Schedule as presented.

21. The Board considered the attached Order Adding 8.908 Acres of Land to the District and Redefining the Area and Boundaries of the District After Addition. Newport Pointe Ltd. And Newport Court, Ltd had petitioned the District for annexation into the District. The Board conducted an annexation hearing and considered the petition for annexation pursuant to Texas Water Code. The Board found and determined that the annexation of the land would be of benefit to the District and would not harm existing property in the District. The attorney confirmed that the District had received the required consent of the City of Houston for the annexation of the land. Upon unanimous vote, the Board approved the Order as presented.

22. The Board considered the attached Amendment to Statement of Directors Furnishing Information Required by §49.455(b) Texas Water Code as amended. The amendment is required because the District boundary has changed to include the Newport Pointe and Newport Court tracts. Upon unanimous vote, the Board adopted the attached Amendment to Statement of Directors and authorized its execution by all directors.

23. The Board reviewed the Amended and Restated Agreement with Municipal Risk Management Group for Yield Restriction and Rebate Calculations. After discussion, upon unanimous vote, the board approved the Amended and Restated Agreement with Municipal Risk Management Group for Yield Restriction and Rebate Calculations.

24. The Board discussed public education and outreach. Topics for future newsletters include the schedule for the Purifics system installation, water conservation, and hurricane preparedness.

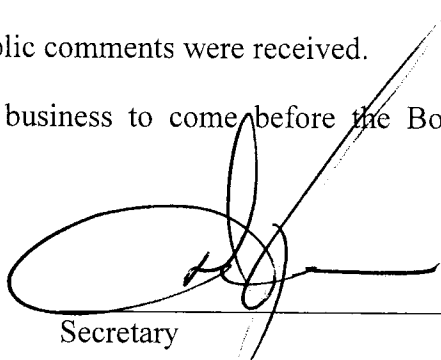
25. No groundwater reduction contracts were presented for review.

26. No executive session was held.

27. Under pending business, the operator requested that an item be placed on the agenda regarding naming of the new Water Plant building that will contain the Purifics Equipment. The operator would like to honor Mr. Jeffrey A. Baughman by placing his name on the building.

28. No additional public comments were received.

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


Secretary