

REID ROAD MUNICIPAL UTILITY DISTRICT NO. 2

Minutes of Special Meeting of Board of Directors February 22, 2017

The Board of Directors (the "Board") of Reid Road Municipal Utility District No. 2 (the "District" or "No. 2") met at 11245 Harvest Bend Boulevard, Houston, Texas, on February 22, 2017, in accordance with the duly posted notice of a special meeting, and the roll was called of the duly constituted officers and members of said Board, as follows:

Sean Allen, President
Vicki Owen, Vice President
Fredrick Phillips, Assistant Secretary
Keith Austin, Secretary
Susan Norris, Director

all of said members were present, except Director Allen who arrived later during the meeting, thus constituting a quorum.

Also present was Frank Mitchell and Daniel Scruggs of Roach & Mitchell, PLLC ("RMPLLC"); and Phillip Givens of Superior Water Management of Texas, LLC ("Superior Management").

The meeting was called to order and declared open for such business as might regularly come before it.

REVIEW RATE ANALYSIS, AND DISCUSS POSSIBLE AMENDMENTS TO RATE ORDER

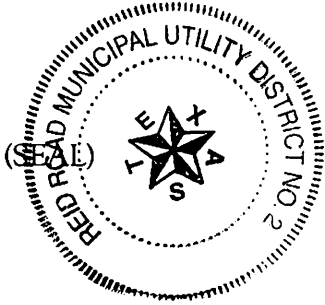
Mr. Givens presented his rate study analysis for the District. He began by noting the objectives of a typical rate study and then discussed some history of the water use and regulation in Texas. He next presented the analytical data supporting his rate study. Director Allen arrived at the meeting at this time. Mr. Givens noted that the rate study included the depreciation of District assets as a basis for collecting revenue via the District's rate. The Board ask RMPLLC to inquire with the District's operator about the status of the capital asset management plan previously approved for preparation on the District's behalf. The Board asked that an item be placed on their upcoming meeting agenda to discuss the capital asset management plan. The Board then discussed, with Mr. Givens' input, how the current garbage rates affected the rate study. Mr. Given then advised that he is going to gather some additional data from the District's consultants and he would present the final rate study at a later meeting.

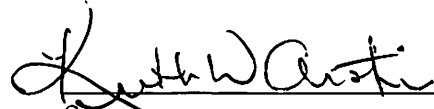
DISCUSSION REGARDING PENDING MATTERS AND FUTURE AGENDAS

There was no discussion regarding pending matters or other matters for future agendas.

ADJOURN

After noting no further business to come before the Board, Director Phillips moved to adjourn. Director Allen seconded said motion, which carried unanimously. The meeting adjourned at such time.




Secretary
Board of Directors