

**WOOD TRACE MUNICIPAL UTILITY DISTRICT NO. 1,
OF MONTGOMERY COUNTY, TEXAS**

**Minutes of Meeting of Board of Directors
June 14, 2022**

The Board of Directors of Wood Trace Municipal Utility District No. 1, of Montgomery County, Texas met in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted members of the Board of Directors, to-wit:

Mercedes C. Burns, President
Elias L. Hinojosa, Vice President
James Art Nicholson, Secretary
Dexter Braband, Assistant Secretary
David Ambrose, Assistant Secretary

all of whom were present, with the exception of Directors Braband and Hinojosa, thus constituting a quorum.

Also present were Kristen Scott of Bob Leared Interests ("Leared"); Mark Swanson of LJA Engineering, Inc. ("LJA"); Diane Michaux of Municipal Accounts & Consulting, L.P. ("MA&C"); Josh Rowe, who entered later in the meeting as noted herein, and John Escamilla of Water District Management Company, Inc. ("WDM"); Libby Harris and Doug Owen of Environmental Allies; Kirti Patel of Richfield Investment Corporation representing Primewood Investments, L.P. ("Primewood"); and Bryan Yeates and Kris Eddlemon of Schwartz, Page & Harding, L.L.P. ("SPH").

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

PUBLIC COMMENTS

The Board began by opening the meeting for public comments. There were no comments from the public at this time.

APPROVAL OF MINUTES

As the next order of business, the Board considered approval of the minutes of the Board of Directors meeting held on May 10, 2022. After discussion of the minutes presented, Director Burns moved that the minutes be approved, as written. Director Nicholson seconded said motion, which unanimously carried.

BOOKKEEPING REPORT

Ms. Michaux next reviewed the Bookkeeping Report dated June 14, 2022, a copy of which is attached as **Exhibit A**, including the disbursements presented for payment from the District's various accounts. After discussion on the matter, it was moved by Director Ambrose that said Bookkeeping Report be approved and that the disbursements identified therein be approved for payment, with the exception of check nos. 5185 and 5187, which were voided. Director Nicholson seconded said motion, which carried unanimously.

The Board deferred discussion of enhanced bookkeeping reports until the next meeting.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Scott then presented the Tax Assessor-Collector Report for the month of May 2022, a copy of which is attached hereto as **Exhibit B**. After discussion concerning the Tax Assessor-Collector Report, Director Nicholson moved that said Report be approved and that the disbursements identified in the Report be approved for payment from the District's tax account. Director Ambrose seconded said motion, which carried unanimously.

Mr. Rowe entered the meeting at this time.

RESOLUTION REQUESTING APPRAISAL OF PROPERTY

In connection therewith

Mr. Yeates advised that the District's financial advisor has requested that the District obtain an updated estimate of value from the Montgomery Central Appraisal District as of June 15, 2022, in connection with the proposed sale of the District's next bond issue. The Board ~~then~~ considered approval of a Resolution Requesting Appraisal of Property as of June 15, 2022 (the "Resolution"). After discussion, Director Ambrose moved that the Board adopt the Resolution, attached hereto as **Exhibit C**, and that the President be authorized to execute same on behalf of the Board and the District. Director Nicholson seconded the motion, which unanimously carried.

DELINQUENT TAX COLLECTIONS REPORT

Mr. Yeates next presented the District's delinquent tax report dated June 14, 2022, from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., a copy of which is attached as **Exhibit D**. He noted that no action was required on the matter at this time.

ENGINEERING REPORT

Mr. Swanson next presented and reviewed with the Board a written Engineering Report, a copy of which is attached hereto as **Exhibit E**. Following discussion, it was moved by Director Nicholson, seconded by Director Burns and unanimously carried, that all action items in the Engineering Report be approved, as recommended by LJA, including the District's concurrence with the following: (i) authorization of LJA to prepare plans and specifications for Hydropneumatic Tank No. 2 at the Water Plant, (ii) payment by Friendswood Development Company of Pay Estimate No. 1, submitted by Gilleland Smith Construction, Inc., in the amount

of \$204,219.00, for Expansion of the Wastewater Treatment Plant and Lift Station No. 1, and (iii) authorization of LJA and/or WDM to submit updated contact information and/or descriptive information regarding District facilities that qualify for critical load status to the appropriate entities, as necessary.

BOND APPLICATION REPORT

The Board next discussed the status of preparation of a Bond Application Report ("BAR") for the District's Unlimited Tax Bonds, Series 2022 and Unlimited Tax Park Bonds, Series 2022A. Mr. Swanson advised that LJA provided a draft BAR to the District's consultants for review.

STORMWATER MANAGEMENT PROGRAM

The Board considered the status of the District's Stormwater Management Program. The Board noted that a representative of Storm Water Solutions, LP was not present at the meeting, and deferred further discussion regarding the matter.

DEVELOPERS' REPORTS

The Board next considered the Developers' Reports. Mr. Patel advised that he had nothing new to report to the Board at this time.

LANDSCAPE ARCHITECT REPORT

The Board deferred consideration of the Landscape Architect Report upon noting that a representative of Kudela & Weinheimer was not present at the meeting.

REPORT FROM ENVIRONMENTAL ALLIES

Ms. Harris next presented and reviewed a report provided by Environmental Allies with regard to mowing and maintenance of District drainage and detention areas, a copy of which report is attached hereto as **Exhibit F**. It was noted that no action was required by the Board at this time.

OPERATION AND MAINTENANCE REPORT

Mr. Escamilla presented and reviewed the Operation and Maintenance Report for the month of April 2022, a copy of which is attached hereto as **Exhibit G**. He advised that a break-in occurred at the District's facilities last night, and that no theft or damages were reported.

Mr. Escamilla next advised that lift pump no. 1 located at lift station no. 2 needs to be repaired or replaced. He reviewed proposals provided Neil Technical Services, Corp. ("NTS"), copies of which are attached to the Operation and Maintenance Report. Following discussion, Director Nicholson moved that the Board approve the proposals provided by NTS to (i) repair the electrical damage at a cost of \$7,850, (ii) repair lift pump no. 1 at a cost of \$5,681, and (iii) purchase a new pump at a cost of \$11,500. Director Ambrose seconded the motion, which unanimously carried.

Mr. Escamilla next reminded the Board that the security system located at the entry gates of the District's facilities is outdated and needs to be replaced. He further reminded the Board that, at the previous meeting, it requested that WDM provided proposals for upgrading the security equipment. Mr. Escamilla then reviewed such proposals, copies of which are attached to the Operation and Maintenance Report. Following discussion, Director Ambrose moved that WDM be authorized to upgrade the District's current security equipment located at the entry gates at a cost of approximately \$1,500. Director Nicholson seconded the motion, which unanimously carried. Mr. Escamilla advised that he would obtain a quote for the installation of security equipment at Lift Station No. 2.

UTILITY COMMITMENTS

Mr. Yeates reported that the District has not received any requests for utility commitments.

VOTING SYSTEM ANNUAL FILING FORM

The Board next considered approval of a Voting System Annual Filing Form. Mr. Yeates advised the Board that, pursuant to provisions of the Texas Election Code, the District is required to complete and file on an annual basis a form provided by the Secretary of State regarding information related to District elections. After discussion, Director Burns moved that SPH be authorized to complete the Voting System Annual Filing Form and to file same with the Secretary of State's office. Director Nicholson seconded the motion, which unanimously carried.

REQUEST OF RECORDS MANAGEMENT OFFICER FOR DESTRUCTION OF RECORDS

The Board next considered a request from the District's Records Management Officer to destroy SPH's handwritten notes and audio recordings of Board meetings held between April 14, 2021 to March 16, 2022, a copy of which is attached hereto as **Exhibit H**. After discussion of the request, Director Nicholson moved that the destruction of SPH's handwritten notes and audio recordings of Board meetings be authorized as requested in accordance with the provisions of the District's Records Management Program. Director Ambrose seconded the motion, which unanimously carried.

ARBITRAGE REBATE REPORT

Mr. Yeates next presented to and reviewed with the Board a 5th Year Arbitrage Compliance Report prepared by Arbitrage Compliance Specialists, Inc. in connection with the District's Unlimited Tax Bonds, Series 2017, a copy of which is attached hereto as **Exhibit I**. Mr. Yeates advised the Board that the report indicates there is no final rebate installment payment due to the Internal Revenue Service for the rebate installment computation period.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Mr. Yeates advised the Board that he had nothing additional to discuss with the Board of a legal nature which was not covered under specific agenda items.

FUTURE AGENDA ITEMS

The Board next considered matters for possible placement on future agendas. There were no other future agenda items to be discussed other than matters previously noted during the meeting.

ADJOURNMENT

There being no further business to come before the Board, it was moved by Director Nicholson, seconded by Director Ambrose and unanimously carried, that the meeting be adjourned.


Secretary, Board of Directors

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LIST OF ATTACHMENTS

<u>Exhibit A</u>	Bookkeeper's Report
<u>Exhibit B</u>	Tax Assessor-Collector Report
<u>Exhibit C</u>	Resolution Requesting Appraisal of Property
<u>Exhibit D</u>	Delinquent Tax Report
<u>Exhibit E</u>	Engineering Report
<u>Exhibit F</u>	Environmental Allies' Report
<u>Exhibit G</u>	Operation and Maintenance Report
<u>Exhibit H</u>	Records Destruction Request
<u>Exhibit I</u>	5 th Year Arbitrage Compliance Report prepared by Arbitrage Compliance Specialists, Inc.