

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

**Minutes of Meeting of Board of Directors
November 8, 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 Nicholson and Braband, thus constituting a quorum. Director Braband entered later in the meeting as noted herein.

Also present were Robin Goin of Bob Leared Interests ("Leared"); Mark Swanson of LJA Engineering, Inc. ("LJA"); Diane Michaux and Dulce Molina of Municipal Accounts & Consulting, L.P. ("MA&C"); John Escamilla of Water District Management Company, Inc. ("WDM"); Steven Hamilton of Environmental Allies, who entered later in the meeting as noted herein; Kirti Patel of Richfield Investment Corporation representing Primewood Investments, L.P. ("Primewood"); Jennifer Hanna of FORVIS, LLP ("FORVIS"); Julie Peak of Masterson Advisors LLC ("Masterson"); 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 October 11, 2022. After discussion of the minutes presented, Director Ambrose moved that the minutes be approved, as written. Director Burns seconded said motion, which unanimously carried.

Mr. Hamilton entered the meeting at this time.

STATUS OF THE DISTRICT'S \$2,420,000 UNLIMITED TAX BONDS, SERIES 2022 AND \$5,830,000 UNLIMITED TAX PARK BONDS, SERIES 2022A; APPROVAL OF AUDIT REPORTS RELATIVE TO PAYMENT OF PROCEEDS FROM SAID BONDS

The Board next considered the status of the District's \$2,420,000 Unlimited Tax Bonds, Series 2022 (the "Series 2022 Bonds"), and the District's \$5,830,000 Unlimited Tax Park Bonds, Series 2022A (the "Series 2022A Park Bonds", and together with the Series 2022 Bonds, the "Bonds") and the review and approval of audit reports relative to the payment of the proceeds of the Bonds. Mr. Yeates reported that the District received preliminary approvals of the transcripts of proceedings relative to the sale of the Bonds from the Attorney General of the State of Texas, and that he anticipates the closings of the sale of the Bonds to occur on Thursday, November 10, 2022, at 10:00 a.m.

The Board next considered the approval of audit reports prepared by FORVIS in connection with the issuance of the Bonds and the disbursement of bond proceeds in accordance with same. In that regard, Ms. Hanna reviewed in detail with the Board drafts of said audit reports, copies of which are attached hereto as **Exhibit A**. She advised the Board of the procedures performed by FORVIS in connection with the preparation of the audit reports and of the various documents reviewed in connection therewith. After review and discussion of the audit reports, it was moved by Director Burns that the audit reports be approved, and that the Board authorize the disbursement of the bond proceeds in accordance with and as set forth in the audit reports, subject to the closings of the sale of the Bonds, and receipts from Friendswood Development Company and Primewood. Director Ambrose seconded the motion, which unanimously carried.

INTERNAL REVENUE SERVICE FORM 8038-G

The Board next considered authorizing the execution and filing of an Internal Revenue Service Reporting Form 8038-G (the "Form") relative to the issuance of the Bonds. After discussion on the matter, it was moved by Director Burns that the President be authorized to execute said Form on behalf of the Board and the District and that the Form be filed as required. Director Ambrose seconded the motion, which unanimously carried.

CORRESPONDENCE FROM BOND COUNSEL REGARDING EXPENDITURE AND INVESTMENT OF BOND PROCEEDS

Mr. Yeates next presented correspondence from SPH, as Bond Counsel for the issuance of the Bonds, addressed to the Board regarding certain provisions of the federal tax law and regulations of the Internal Revenue Service pertaining to the expenditure and investment of proceeds of the Bonds and reviewed same in detail, a copy of which is attached hereto as **Exhibit B**. He advised the Board that certain periodic reviews and reports would be required to monitor compliance with the requirements set forth therein and that arbitrage rebate or yield reduction payments could be required to be made based on said review and reports. Mr. Yeates also advised the Board that the District's Bookkeeper would monitor investment rates and that the District's Financial Advisor would review the debt service fund balance and coverage in connection with the annual tax rate recommendation. He advised the Board, however, that compliance with the requirements is ultimately the responsibility of the Board.

AMENDMENT TO THE DISTRICT'S FIRST AMENDED AND RESTATED DISTRICT INFORMATION FORM

Mr. Yeates presented and discussed with the Board an Amendment to the District's Third Amended and Restated District Information Form relative to the issuance of the Bonds. After discussion regarding said form, Director Burns moved that the Amendment to the Third Amended and Restated District Information Form be approved and that the Board members present be authorized to execute same on behalf of the Board and the District. Director Ambrose seconded said motion, which carried unanimously.

OTHER MATTERS IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2022 BONDS AND SERIES 2022A PARK BONDS

A discussion ensued regarding the approval of various documents to be utilized for the closings of the Bonds. In that regard, Mr. Yeates reviewed the various closing documents with the Board. After discussion on the matter, Director Burns moved that such closing documents be approved and that the President be authorized to execute and the Assistant Secretary to attest same on behalf of the Board and the District. Director Ambrose seconded said motion, which unanimously carried.

BOOKKEEPING REPORT

Ms. Michaux next reviewed the Bookkeeping Report dated November 8, 2022, a copy of which is attached as Exhibit C, 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 no. 5293, which was voided. Director Hinojosa seconded said motion, which carried unanimously.

Ms. Michaux additionally presented and reviewed with the Board a Quarterly Investment Inventory Report (the "Report") for the reporting period ended August 31, 2022, a copy of which is attached to the Bookkeeping Report. After further discussion of the Report and upon motion duly made by Director Ambrose, seconded by Director Hinojosa and unanimously carried, the Report was approved and the District's Investment Officers were authorized to execute same on behalf of the Board and the District.

STATUS OF COMPLIANCE BY THE DISTRICT WITH TEXAS GOVERNMENT CODE, CHAPTER 2265 RELATIVE TO ENERGY REPORTING

The Board next considered the status of compliance by the District with Texas Government Code, Chapter 2265, as codified, relative to energy reporting requirements. In connection therewith, it was noted that a copy of the Energy Report is included with the Bookkeeping Report, and that no further action is necessary at this time.

Director Braband entered the meeting at this time.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Goin then presented the Tax Assessor-Collector Report for the month of October 2022, a copy of which is attached hereto as **Exhibit D**. After discussion concerning the Tax Assessor-Collector Report, Director Burns 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 Braband seconded said motion, which carried unanimously.

DELINQUENT TAX COLLECTIONS REPORT

The Board deferred action relative to the review of a delinquent tax report from the District's delinquent tax collections attorney, Perdue, Brandon, Fielder, Collins & Mott, L.L.P., as one had not been received.

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 Burns, seconded by Director Ambrose and unanimously carried, that all action items included in the Engineering Report be approved, as recommended by LJA, including the District's concurrence with the following: (i) payment by Friendswood Development Company of Pay Estimate No. 6 submitted by Gilleland Smith Construction, Inc., in the amount of \$195,255.00, for Expansions of the Wastewater Treatment Plant and Lift Station No. 1 (the "Project"), (ii) approval of a proposal from Beyer Construction, LLC in the amount of \$3,108.00 to address roadway repairs in Wood Trace, Sections 13, 14, and 15, and (iii) ratification of approval and execution by the Vice President of an easement from CenterPoint Energy in connection with the Project.

The Board discussed discussion of a web-based GIS for the District.

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.

The Board next considered the acceptance of (i) a Special Warranty Deed for Reserves A, B, and C located within Wood Trace, Section 7, (ii) a Conveyance and Bill of Sale of Facilities for landscape improvements (softscape) to serve Wood Trace, Section 7, and (iii) a Conveyance and Bill of Sale of Facilities for landscape improvements (hardscape) to serve Wood Trace, Section 7. Following discussion, Director Burns moved that the District accept the Deed and Conveyances and that the President be authorized to execute same on behalf of the Board and the District. Director Hinojosa seconded the motion, which unanimously carried.

REPORT FROM ENVIRONMENTAL ALLIES

Mr. Hamilton 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**. No action was taken by the Board at this time.

OPERATION AND MAINTENANCE REPORT

Mr. Escamilla presented and reviewed the Operation and Maintenance Report for the month of September 2022, a copy of which is attached hereto as **Exhibit G**. He advised that the District is in receipt of a proposal from NTS Pumps, Motors and Controls ("NTS") to repair or replace Booster Pump No. 2, a copy of which is attached to the Operation and Maintenance Report. Following discussion, Director Ambrose moved that the Board approve the proposal provided by NTS to repair Booster Pump No. 2 at a cost of \$5,925.00. Director Braband seconded the motion, which unanimously carried.

Mr. Escamilla next advised that there are two (2) delinquent accounts totaling \$81.00 and \$1,945.81, respectively, which WDM has been unable to collect. He advised that WDM recommends the accounts be forwarded to Collections Unlimited for further collection efforts. Following discussion, Director Ambrose moved that the accounts be forwarded to Collections Unlimited for further handling, as discussed. Director Braband seconded said motion, which unanimously carried.

UTILITY COMMITMENTS

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

AUTHORIZE FILING OF EMINENT DOMAIN REPORT WITH THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

Mr. Yeates next advised the Board that Chapter 2206 of the Texas Government Code requires each public and private entity in the State of Texas authorized to exercise the power of eminent domain to file a report with the Comptroller before February 1 of each year. Following discussion on the matter, Director Braband moved that SPH be authorized to prepare and file the required eminent domain report with the Comptroller prior to February 1, 2023. Director Hinojosa seconded the motion, which passed unanimously.

ATTORNEY'S REPORT

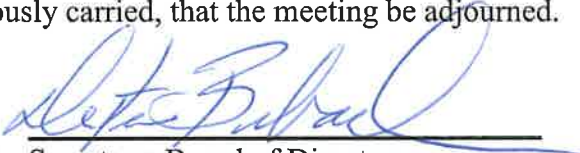
The Board next considered the Attorney's Report. In connection therewith, Mr. Yeates presented an Annual Disclosure provided by Masterson Advisors, LLC relative to MSRB Rule G-10, a copy of which is attached hereto as Exhibit H.

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 Braband seconded by Director Burns and unanimously carried, that the meeting be adjourned.


Asst. Secretary, Board of Directors

LIST OF ATTACHMENTS

<u>Exhibit A</u>	Draft Reimbursement Reports – Series 2022 Bonds and Series 2022A Park Bonds
<u>Exhibit B</u>	SPH Correspondence regarding Unlimited Tax Bonds, Series 2022 and Unlimited Tax Park Bonds, Series 2022A
<u>Exhibit C</u>	Bookkeeper's Report
<u>Exhibit D</u>	Tax Assessor/Collector's Report
<u>Exhibit E</u>	Engineering Report
<u>Exhibit F</u>	Environmental Allies' Report
<u>Exhibit G</u>	Operations and Maintenance Report
<u>Exhibit H</u>	Annual Disclosure provided by Masterson Advisors LLC