

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

**Minutes of Meeting of Board of Directors
February 14, 2023**

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 Director Hinojosa, thus constituting a quorum. Director Hinojosa entered later in the meeting as noted herein.

Also present were Kristen Scott of Bob Leared Interests ("Leared"); Mark Swanson and Jack Abadie of LJA Engineering, Inc. ("LJA"); Diane Michaux and Dulcé Molina of Municipal Accounts & Consulting, L.P. ("MA&C"); John Escamilla of Water District Management Company, Inc. ("WDM"); Justin Klump of Storm Water Solutions LP ("SWS"); Julie Peak of Masterson Advisors LLC ("Masterson"), who entered later in the meeting as noted herein; Bradley Hinkle of Environmental Allies; David Berenger, resident of the District; 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 January 10, 2023. After discussion of the minutes presented, Director Burns moved that the minutes be approved, as written. Director Ambrose seconded said motion, which unanimously carried.

Director Hinojosa entered the meeting at this time.

BOOKKEEPING REPORT

Ms. Molina next reviewed the Bookkeeping Report dated February 14, 2023, 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 Braband that said Bookkeeping Report be approved and that the disbursements identified therein be approved for payment. Director Burns seconded said motion, which carried unanimously.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Scott then presented the Tax Assessor-Collector Report for the month of January 2023, 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 Burns seconded said motion, which carried unanimously.

Ms. Peak entered the meeting at this time.

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.

ADOPTION OF RESOLUTION CONCERNING DEVELOPED DISTRICT STATUS FOR 2023 TAX YEAR

Mr. Yeates reminded the Board that the taxing procedures applicable to a particular district will depend, in part, upon whether it is determined to be a "Developed District" pursuant to Section 49.23602, Texas Water Code. He then reviewed with the Board a Resolution Concerning Developed District Status for the 2023 Tax Year, attached hereto as **Exhibit C**. Following discussion, upon motion made by Director Ambrose, seconded by Director Hinojosa, and unanimously carried, the attached Resolution was adopted by the Board.

UNCLAIMED PROPERTY REPORT

As the next order of business, the Board considered authorizing the District's consultants to research unclaimed property and authorizing MA&C to prepare an Unclaimed Property Report as of March 1, 2023. After discussion, Director Nicholson moved that the District's consultants be authorized to research their records to determine whether there is any unclaimed property for the applicable reporting period and that MA&C be authorized to prepare an Unclaimed Property Report, if necessary, for the Board's consideration. Director Burns seconded said motion, which unanimously carried.

ENGINEERING REPORT

Mr. Swanson next presented and reviewed with the Board a written Engineering Report, a copy of which is attached hereto as **Exhibit D**.

Mr. Yeates reported that Section 13.1396 of the Water Code requires a district to annually submit to each electric distribution utility and each retail electric utility provider, on forms reasonably required by each entity, its facilities which qualify for critical load status and various emergency contact information. After discussion on the matter, Director Ambrose moved that LJA and WDM be authorized to make such annual filings on behalf of the District. Director Hinojosa seconded the motion, which carried unanimously.

A discussion ensued regarding the installation of additional lighting at the Wood Trace Recreation Center. Director Nicholson suggested that the homeowners association consider installing solar powered lighting, and that he would provide Mr. Berenger with information relative to same.

BOND APPLICATION REPORTS

The Board next discussed the status of preparation of Bond Application Reports for the District's Unlimited Tax Bonds, Series 2023 and Unlimited Tax Park Bonds, Series 2023A (collectively, the "Bonds"), and the adoption of Orders Authorizing Applications to the Texas Commission on Environmental Quality ("TCEQ") for Approval of Project and Bonds. Following further discussion on the matter, Director Ambrose moved that the Board adopt the Orders Authorizing Applications to the TCEQ for Approval of Project and Bonds, attached hereto as **Exhibit E**, and that SPH and LJA be authorized to submit same as part of the District's applications to the TCEQ for approval of the proposed Bonds. Director Hinojosa seconded said motion, which unanimously carried.

RESOLUTION ADOPTING PREVAILING WAGE RATE SCALE FOR CONSTRUCTION PROJECTS

The Board deferred consideration of a Resolution Adopting Prevailing Wage Rate Scale for Construction Projects.

STORMWATER MANAGEMENT PROGRAM

The Board considered the status of the District's Stormwater Management Program ("SWMP"). In that regard, Mr. Klump presented to and reviewed with the Board the Year 5 Goals and Training Summary (the "Summary"), the Phase II (Small) MS4 Annual Report (the "Annual Report") for Year 4, and a proposed utility bill insert. Copies of the Summary, Annual Report, and utility bill are attached hereto as **Exhibit F**. After the training and discussion, Director Braband moved that (i) the Annual Report be approved as presented, and that the President be authorized to execute the Annual Report on behalf of the Board and the District, and (ii) the utility bill insert be approved and WDM be authorized to include same in the upcoming bills. Director Nicholson seconded said motion, which carried unanimously.

DEVELOPERS' REPORTS

The Board deferred consideration of the Developers' Reports upon noting that no developer representatives were present at the meeting.

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

Mr. Hinkle 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 G**. He noted that no action was required on the matter at this time.

OPERATION AND MAINTENANCE REPORT

Mr. Escamilla presented and reviewed the Operation and Maintenance Report for the month of December 2022, a copy of which is attached hereto as **Exhibit H**. He advised that there is one (1) delinquent account totaling \$333.64, which WDM has been unable to collect. He advised that WDM recommends the account be forwarded to Collections Unlimited for further collection efforts. Following discussion, Director Ambrose moved that the account be forwarded to Collections Unlimited for further handling, as discussed. Director Braband seconded said motion, which unanimously carried.

WATER CONSERVATION PLAN ANNUAL IMPLEMENTATION REPORT

The Board next considered authorizing the operator to prepare and file a water conservation plan annual implementation report with the Texas Water Development Board. Mr. Yeates advised that preparation and filing of this report is not applicable to the District because it does not serve more than 3,300 connections or receive surface water from the San Jacinto River Authority. No action was taken by the Board at this time.

UTILITY COMMITMENTS

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

RENEWAL OF DISTRICT INSURANCE POLICIES

In connection with the renewal of the District's insurance coverages, Mr. Yeates reminded the Board that SPH obtained a renewal proposal from Brown & Brown Lone Star Insurance Services, Inc. ("Brown & Brown") (formerly HARCO/Texas Municipal League Intergovernmental Risk Pool), a copy of which is attached hereto as **Exhibit I**. Following discussion, Director Braband moved that the Board accept Brown & Brown's insurance proposal and authorized the

President to execute same on behalf of the Board and the District. Director Ambrose seconded the motion, which unanimously carried.

RATIFY ADOPTION OF RESOLUTION REQUESTING APPRAISAL OF PROPERTY

The Board considered the ratification of its prior adoption of a Resolution Requesting Appraisal of Property (the "Resolution") as of January 1, 2023. After discussion, Director Braband moved that adoption of the Resolution be ratified and approved in all respects. Director Nicholson seconded said motion, which unanimously carried.

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 Burns and unanimously carried, that the meeting be adjourned.


Asst. Secretary, Board of Directors

LIST OF ATTACHMENTS

- Exhibit A Bookkeeper's Report
- Exhibit B Tax Assessor/Collector's Report
- Exhibit C Resolution Concerning Developed District Status for the 2023 Tax Year
- Exhibit D Engineering Report
- Exhibit E Orders Authorizing Application to the Texas Commission on Environmental Quality for Approval of Project and Bonds – Unlimited Tax Bonds, Series 2023 and Unlimited Tax Park Bonds, Series 2023A
- Exhibit F Year 5 Goals and Training Summary, the Phase II (Small) MS4 Annual Report for Year 4, and Proposed Utility Bill Insert.
- Exhibit G Environmental Allies' Report
- Exhibit H Operations and Maintenance Report
- Exhibit I Proposal from Brown & Brown Lone Star Insurance Services, Inc.