

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

**Minutes of Meeting of Board of Directors
April 10, 2024**

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 Shayna Helvey of LJA Engineering, Inc. ("LJA"); Dulcé Molina of Municipal Accounts & Consulting, L.P. ("MA&C"); Josh Rowe of Water District Management Company, Inc. ("WDM"); Ryan Haynes of Environmental Allies ("EA"); David Berenger and David Ricke, residents 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 March 13, 2024. After discussion of the minutes presented, Director Ambrose moved that the minutes be approved, as written. Director Nicholson seconded said motion, which unanimously carried.

Director Hinojosa entered the meeting at this time.

BOOKKEEPING REPORT

Ms. Molina next reviewed the Bookkeeping Report dated April 10, 2024, 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 Burns that said Bookkeeping Report be approved and that the disbursements identified therein be approved for payment. Director Nicholson seconded said motion, which carried unanimously.

Ms. Molina additionally presented and reviewed with the Board a Quarterly Investment Inventory Report (the "Report") for the reporting period ended February 29, 2024, a copy of which is attached to the Bookkeeping Report. After further discussion of the Report and upon motion duly made by Director Burns, seconded by Director Nicholson 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.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Scott then presented the Tax Assessor-Collector Report for the month of March 2024, 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.

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.

RESOLUTION CONCERNING DEVELOPED DISTRICT STATUS FOR 2024 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 2024 Tax Year, attached hereto as **Exhibit C**. Following discussion, upon motion made by Director Nicholson, seconded by Director Hinojosa, and unanimously carried, the attached Resolution was adopted by the Board.

RESOLUTION AUTHORIZING ADDITIONAL PENALTY ON DELINQUENT REAL PROPERTY TAXES

The Board considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes. Mr. Yeates advised that the District is authorized pursuant to the Texas Tax Code, as amended, to impose, under certain conditions on July 1, an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due the District on real property taxes that remain delinquent as of July 1 of the year in which they become delinquent, as more fully described in the Resolution. After discussion, it was moved by Director Braband, seconded by Director Nicholson and unanimously carried, that the Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes attached hereto as **Exhibit D** be adopted

by the Board, and that the District's delinquent tax attorney be authorized to collect delinquent real property taxes beginning July 1, 2024, including the filing of lawsuits, if necessary.

ENGINEERING REPORT

Mr. Swanson 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 Hinojosa and unanimously carried, that all action items included in the Engineering Report be approved, as recommended by LJA, including the District's (i) approval and payment of Change Order No. 3 submitted by Gilliland Smith Construction, Inc. in the amount of \$20,175.60 for Expansion of the Wastewater Treatment Plant and Lift Station No. 1, and (ii) award of a contract to Beyer Construction, LLC in the amount of \$144,742.40 for roadway repairs.

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

REPORT FROM ENVIRONMENTAL ALLIES

Mr. Haynes next presented and reviewed a report provided by EA 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. Josh Rowe presented and reviewed the Operation and Maintenance Report for the month of February 2024, a copy of which is attached hereto as **Exhibit G**. He advised that a leak located at the Water Plant is in need of repair. Following discussion, Director Ambrose moved that WDM be authorized to repair the leak at the Water Plant, as discussed. Director Nicholson seconded the motion, which unanimously carried.

The Board next considered authorizing WDM to prepare a draft Consumer Confidence Report ("CCR") for review by the Board. Mr. Yeates advised that pursuant to CCR requirements promulgated by the United States Environmental Protection Agency and the Texas Commission on Environmental Quality ("TCEQ"), the District is required to provide a report containing various information regarding the District's water supply to all District customers by July 1, 2024. After discussion on the matter, it was moved by Director Ambrose, seconded by Director Nicholson and

unanimously carried, that WDM be authorized to prepare a draft CCR and SPH be authorized to review same for compliance with the TCEQ's regulatory requirements and its 2024 template.

The Board then considered the District's Identity Theft Prevention Program (the "Program"). In connection therewith, Mr. Josh Rowe presented WDM's annual report and advised the Board regarding the District's experience with identity theft during the prior year, current identity theft methods, the types of accounts maintained by the District and the District's business arrangements with other entities. He recommended that no changes be made to the District's Program. After discussion on the matter, the Board concurred that no changes were necessary to the District's Program at this time.

Mr. Yeates next advised the Board that the District previously adopted a Water Conservation Plan ("WCP"), and that pursuant to Title 30, Section 283.2 of the Texas Administrative Code, is required to review and revise its Plan, as applicable, by May 1, 2024, and every five (5) years thereafter. Mr. Josh Rowe advised that WDM has updated the District's WCP. Following discussion, Director Ambrose moved that the Board approve the updated WCP and adopt the Resolution Regarding Review of Water Conservation Plan, attached hereto as **Exhibit H**. Director Nicholson seconded the motion, which unanimously carried.

Mr. Yeates next discussed with the Board the requirements of Title 30, Section 288.30 of the Texas Administrative Code for retail public water suppliers such as the District to review and, if appropriate, revise their DCP no later than May 1, 2024, and every five years thereafter. He further advised that no changes are being recommended to the District's DCP at this time. After discussion, Director Ambrose moved that the District adopt the Resolution Regarding Review of Drought Contingency Plan, attached hereto as **Exhibit I**. Director Nicholson seconded such motion, which passed unanimously.

UTILITY COMMITMENTS

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

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. Mr. Yeates reminded the Board that, at the previous meeting, the District's Rate Order was amended to increase the monthly residential sanitary sewer fee in response to the annual CPI increase implemented by Best Trash, LLC. He noted that the incorrect monthly rate for residential sanitary sewer service was reported at the March meeting, and that the new rate is \$45.46 per connection, to which the Board concurred.

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 Hinojosa and unanimsly carried, that the meeting be adjourned.


Asst. 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's Report
<u>Exhibit C</u>	Resolution Concerning Developed District Status for the 2024 Tax Year
<u>Exhibit D</u>	Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes
<u>Exhibit E</u>	Engineering Report
<u>Exhibit F</u>	Report – Environmental Allies
<u>Exhibit G</u>	Operations and Maintenance Report
<u>Exhibit H</u>	Resolution Regarding Review of Water Conservation Plan
<u>Exhibit I</u>	Resolution Regarding Review of Drought Contingency Plan