

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

**Minutes of Meeting of Board of Directors
July 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:

James Art Nicholson, President
Dexter Braband, Vice President
David Ambrose, Secretary
David Berenger, Assistant Secretary
David Ricke, Assistant Secretary

all of whom were present, thus constituting a quorum.

Also present were Kristen Scott of Bob Leared Interests ("Leared"); 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"); Christine Crotwell 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 June 12, 2024. After discussion of the minutes presented, Director Braband moved that the minutes be approved, as written. Director Ricke seconded said motion, which unanimously carried.

BOOKKEEPING REPORT

Ms. Molina next reviewed the Bookkeeping Report dated July 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 Nicholson that said Bookkeeping Report be approved and that the disbursements identified therein be approved for

payment, including check no. 5759 payable to Gilleland Smith Construction, Inc. ("Gilleland") in the amount of \$69,750.00. Director Berenger 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 May 31, 2024, a copy of which is attached to the Bookkeeping Report. After further discussion of the Report and upon motion duly made by Director Nicholson, seconded by Director Berenger 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.

Ms. Molina then presented to and reviewed with the Board the proposed operating budget for the District's fiscal year ending August 31, 2025, a copy of which is attached to the Bookkeeping Report. She requested that the Directors and consultants review the draft budget and forward any comments to her prior to the next Board meeting.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Scott then presented the Tax Assessor-Collector Report for the month of June 2024, a copy of which is attached hereto as **Exhibit B**. After discussion concerning the Tax Assessor-Collector Report, Director Berenger 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.

ENGINEERING REPORT

Ms. Helvey presented and reviewed with the Board a written Engineering Report, a copy of which is attached hereto as **Exhibit C**. Following discussion, it was moved by Director Nicholson, seconded by Director Braband and unanimously carried, that all action items included in the Engineering Report be approved, as recommended by LJA, including the District's approval and payment of (i) Pay Estimate No. 18 submitted by Gilliland in the amount of \$19,166.82 for Expansion of the Wastewater Treatment Plant and Lift Station No. 1, (ii) Change Order No. 1 submitted by Beyer Construction in the amount of \$2,790.00 for roadway repairs, and (iii) Pay Estimate No. 3 submitted by Gilleland in the amount of \$69,750.00 for Water Supply Plant No. 1 Phase 4.

RESOLUTION AUTHORIZING APPLICATION TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ("TCEQ") REQUESTING APPROVAL FOR USE OF SURPLUS FUNDS

The Board deferred approval of a Resolution Authorizing Request to the TCEQ Requesting Approval for Use of Surplus Funds and Interest Earned on Construction Funds in connection with the recreation center until the next meeting.

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 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. Yeates advised that a representative of Environmental Allies ("EA") was not able to attend today's meeting. He then 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 D**. No action was taken by the Board at this time.

OPERATION AND MAINTENANCE REPORT

Mr. Rowe presented and reviewed the Operation and Maintenance Report for the month of May 2024, a copy of which is attached hereto as **Exhibit E**. He advised that the District's facilities are currently running on generator power due to Hurricane Beryl, and that Well Motor No. 1 has been pulled for repair.

Mr. Rowe next advised that there is one (1) delinquent account totaling \$49.82, 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 (i) WDM be authorized to terminate service to delinquent accounts in accordance with the District's Rate Order, and (ii) the account be forwarded to Collections Unlimited for further handling, as discussed. Director Nicholson seconded said motion, which unanimously carried.

UTILITY COMMITMENTS

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

RECORDS MANAGEMENT

Mr. Yeates presented to and reviewed with the Board a memorandum from SPH, which is attached hereto as Exhibit F, regarding the legal requirements to electronically store District records and destroy the paper copies of such records. In this regard, he recommended that the Board approve the Resolution Adopting Records Retention Schedules and Policies and Procedures for Electronic Storage of District Records attached hereto as Exhibit G (the "Records Resolution"). After discussion, Director Berenger moved to approve the Records Resolution, and authorize the Records Management Officer to execute the related certifications, and that same be submitted to the Texas State Library and Archives Commission for review and approval. Director Nicholson seconded the motion, which unanimously carried.

Mr. Yeates reported that the District's Records Retention Schedules adopted in connection with its Records Management Program require that records of the District be retained only for specific periods of time based on the type of record. As an example, he explained that notes taken during meetings and which are used to prepare the official minutes of Board meetings are to be retained for ninety days after approval of such minutes by the Board. He next presented a request from the Records Management Officer for approval to destroy certain records (which will not be scanned in and stored electronically) in accordance with the District's Records Retention Schedules, a copy of which request is attached hereto as Exhibit H (the "Request"). After discussion, Director Nicholson moved that SPH be authorized to destroy the records described in the Request. Director Braband seconded said motion, which carried unanimously.

ATTORNEY'S REPORT

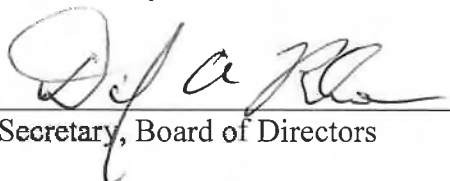
The Board next considered the Attorney's Report. In connection therewith, Mr. Yeates advised that the District is in receipt of correspondence from the San Jacinto River Authority, a copy of which is attached hereto as Exhibit I, advising of a decrease in pumpage fees, effective September 1, 2024. Following discussion, the Board requested that an item be included on the next agenda for the Board to consider amending the District's Rate Order in connection with said decrease.

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 Ambrose, seconded by Director Nicholson and unanimously carried, that the meeting be adjourned.


Asst. Secretary, Board of Directors

LIST OF ATTACHMENTS

<u>Exhibit A</u>	Bookkeeper's Report
<u>Exhibit B</u>	Tax Assessor/Collector's Report
<u>Exhibit C</u>	Engineering Report
<u>Exhibit D</u>	Report – Environmental Allies
<u>Exhibit E</u>	Operations and Maintenance Report
<u>Exhibit F</u>	Memorandum provided by Schwartz, Page & Harding, L.L.P.
<u>Exhibit G</u>	Resolution Adopting Records Retention Schedules and Policies and Procedures for Electronic Storage of District Records
<u>Exhibit H</u>	Request from the Records Management Officer
<u>Exhibit I</u>	Correspondence from the San Jacinto River Authority