

MINUTES
WALLER COUNTY MUNICIPAL UTILITY DISTRICT NO. 37

August 8, 2024

The Board of Directors (the "Board") of Waller County Municipal Utility District No. 37 (the "District") met in regular session, open to the public, on the 8th day of August, 2024, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Matthew C. Deal	President
Mark Witcher	Vice President
Brian Welch	Secretary
Leigh Ellis III	Assistant Secretary
David Moriniere	Assistant Vice President

and all of the above were present except Directors Deal and Ellis, thus constituting a quorum.

Also attending the meeting were Griselda Lee of McGrath & Co., PLLC ("McGrath"); Andrew Dunn of On-Site Protection LLC; David Wood of Robert W. Baird & Co. Incorporated; Rebecca Watkins of Quiddity Engineering, LLC ("Quiddity"); Tracey Scott of Myrtle Cruz, Inc. ("Myrtle Cruz"); Dana Hollingsworth of Municipal District Services ("MDS"); Patty Rodriguez of Bob Leared Interests; and Greer Pagan and Merry Heyne of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board considered approving the minutes of the July 11, 2024, regular meeting. After review and discussion, Director Welch moved to approve the minutes, as presented. Director Moriniere seconded the motion, which passed unanimously.

APPROVE AUDIT FOR FISCAL YEAR END APRIL 30, 2024

Ms. Lee reviewed the District's audit for fiscal year end April 30, 2024. After review and discussion, Director Moriniere moved to approve the audit, authorize filing of the audit with the Texas Commission on Environmental Quality ("TCEQ"), and direct that the audit be filed appropriately and retained in the District's official records. Director Welch seconded the motion, which passed unanimously.

SECURITY MATTERS

Mr. Dunn reviewed a security patrol report, a copy of which is attached.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Scott presented and reviewed the bookkeeper's report, investment report, and the bills presented for payment from the District's accounts. After review and discussion, Director Welch moved to approve the bookkeeper's report and the checks presented for payment. Director Moriniere seconded the motion, which passed by unanimous vote. A copy of the bookkeeper's report is attached.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Rodriguez presented and reviewed the tax assessor/collector's report, a copy of which is attached. Following review and discussion, Director Welch moved to approve the tax assessor/collector's report. Director Moriniere seconded the motion, which was approved by unanimous vote.

DISCUSS 2024 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

This agenda item was deferred until the next Board meeting.

OPERATION OF DISTRICT FACILITIES; HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS AND AUTHORIZE TERMINATION OF SERVICE

Ms. Hollingsworth presented and reviewed the operator's report, a copy of which is attached.

Ms. Hollingsworth then presented a list of delinquent customers to the Directors and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment.

After review and discussion, Director Welch moved to (1) approve the operator's report; and (2) authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Moriniere seconded the motion, which passed by unanimous vote.

ENGINEERING MATTERS; DEEDS, EASEMENTS, ENCROACHMENT AGREEMENTS, WAIVERS OF SPECIAL APPRAISAL, AND PLAT MATTERS

Ms. Watkins updated the Board on engineering matters in the District, as reflected in Quiddity's report.

After review and discussion, Director Welch moved to approve the engineer's report. Director Moriniere seconded the motion, which passed by unanimous vote.

GENERAL CERTIFICATE IN CONNECTION WITH HARRIS-WALLER COUNTIES MUNICIPAL UTILITY DISTRICT NO. 4 ("MUD 4") BOND SALE

Mr. Pagan explained that because MUD 4 relies on contract tax payments from the District as a participant, among other sources to fund bond payments, the District must provide a General Certificate each time MUD 4 sells contract revenue bonds. He then presented to the Board a General Certificate in connection with the MUD 4 bond sale. Following review and discussion, Director Welch moved to authorize execution of the General Certificate in connection with the MUD 4 bond sale. Director Moriniere seconded the motion, which passed unanimously.

RESOLUTION TO COMPLY WITH THE SECURITIES AND EXCHANGE COMMISSION RULE 15C2-12 IN CONNECTION WITH MUD 4 BOND SALE

Mr. Pagan stated that as previously discussed, because MUD 4 relies on contract tax payments from the District as a participant, among other sources to fund bond payments, the District must also provide current financial information on an annual basis. He then reviewed a Resolution to Comply with the Securities and Exchange Commission Rule 15c2-12, whereby the District agrees to provide current financial information on an annual basis. Following review and discussion, Director Welch moved to authorize execution of the Resolution to Comply with the Securities and Exchange Commission Rule 15c2-12 in connection with the MUD 4 bond sale. Director Moriniere seconded the motion, which passed unanimously.

SERIES 2024 UNLIMITED TAX BONDS

REVIEW BIDS AND AWARD SALE OF THE DISTRICT'S \$11,650,000 UNLIMITED TAX BONDS, SERIES 2024

Mr. Wood stated that the Board received six bids for the District's \$11,650,000 Unlimited Tax Bonds, Series 2024 (the "Series 2024 Bonds"). He reviewed the bid results, a copy of which is attached. Mr. Wood stated that good faith checks were submitted by all of the bidders as required. The Board considered awarding the sale of the Series 2024 Bonds. Mr. Wood stated he verified the accuracy of the bids and recommended that the Board accept the bid with the lowest net effective interest rate of 4.265558%, submitted by SAMCO

Capital Markets-Dallas, TX ("SAMCO"). A copy of the accepted bid from SAMCO is attached.

RESOLUTION AUTHORIZING THE ISSUANCE OF THE DISTRICT'S \$11,650,000 UNLIMITED TAX BONDS, SERIES 2024

The Board considered adopting a Resolution Authorizing the Issuance of the Series 2024 Bonds (the "Resolution").

PAYING AGENT/REGISTRAR AGREEMENT

The Board then considered approving a Paying Agent/Registrar Agreement between the District and Regions Bank.

OFFICIAL STATEMENT

Mr. Wood stated that the Preliminary Official Statement will be updated to reflect the terms of the bond sale.

CERTIFICATE REGARDING PROVISION OF FINANCIAL ADVICE

Mr. Pagan presented and reviewed with the Board a Certificate Regarding Provision of Financial Advice stating that the Board has relied on its financial advisor, Robert W. Baird, for financial advice concerning the issuance of the Bonds.

AUTHORIZE THE BOARD OF DIRECTORS TO SIGN ALL DOCUMENTS RELATING TO THE BOND SALE AND AUTHORIZE ATTORNEY AND FINANCIAL ADVISOR TO TAKE ALL NECESSARY ACTION TO DELIVER BONDS TO THE PURCHASER

Mr. Pagan stated that it will be necessary for the Vice President and Secretary of the Board to sign certain documents relating to the sale of the Series 2024 Bonds, and for the attorney to submit a transcript of the bond proceedings to the Attorney General of Texas. He added that the financial advisor also will take necessary action in connection with the delivery of the bonds to the purchaser.

PAYMENT TO ATTORNEY GENERAL RELATING TO BOND ISSUE TRANSCRIPT REVIEW

Mr. Pagan stated the District will need to submit a payment to the Texas Attorney General related to bond issue transcript review in the amount of \$11,650 for the Series 2024 Bonds.

EXECUTION OF AMENDMENT TO INFORMATION FORM

Mr. Pagan also stated that the Texas Water Code requires the District to file an Amendment to the Information Form with Waller County and the TCEQ in order to reflect the bonds issued by the District. He then reviewed the Amendment to the Information Form with the Board.

After review and discussion, Director Welch moved to (1) award the sale of the Series 2024 Bonds to SAMCO, whose bid contained the lowest net effective interest rate of 4.265558%; (2) adopt the Resolution and direct that it be filed appropriately and retained in the District's official records; (3) approve the Paying Agent/Registrar Agreement between the District and Regions Bank, and direct that it be filed appropriately and retained in the District's official records; (4) approve the Official Statement for the Series 2024 Bonds; (5) approve the Certificate Regarding Provision of Financial Advice related to the Series 2024 Bonds and direct that it be filed appropriately and retained in the District's official records; (6) authorize the Vice President and Secretary to sign the documents relating to the bond sale and authorize the attorney and financial advisor to take all necessary action to deliver the bonds to the purchaser; (7) approve payment to the Texas Attorney General in the amount of \$11,650; and (8) authorize execution of the Amendment to Information Form and direct that it be filed appropriately and retained in the District's official records. Director Witcher seconded the motion, which passed by unanimous vote.

SERIES 2024 UNLIMITED TAX ROAD BONDS

Mr. Wood discussed the Series 2024 Unlimited Tax Road Bonds.

Mr. Wood presented and reviewed a Preliminary Official Statement for the District's \$7,705,000 Unlimited Tax Road Bonds, Series 2024 (the "Series 2024 Road Bonds").

Mr. Wood recommended appointing Regions Bank as the Paying Agent/Registrar for the Series 2024 Road Bonds.

The Board discussed authorizing advertisement for the sale of the Road Bonds and scheduling the Bond sale.

The Board discussed authorizing McGrath to prepare the reimbursement report for the Series 2024 Road Bonds.

After review and discussion, Director Welch moved to (1) approve the Preliminary Official Statement and Official Notice of Sale, subject to ABHR and consultant comments; (2) appoint Regions Bank as the Paying Agent/Registrar for the Series 2024 Road Bonds; (3) authorize the advertisement for the sale of the Bonds and schedule the Bond sale for September 12, 2024; and (4) authorize McGrath to prepare the reimbursement report for the Series 2024 Road Bonds. Director Witcher seconded the motion, which passed unanimously.

PARK AND RECREATIONAL FACILITIES MATTERS

There was no discussion on this agenda item.

REPORT ON DEVELOPMENT

Mr. O'Bryant generally reported on development in the District.

The Board considered approving an Amended and Restated Development Financing Agreement between the District and KB Home Lone Star Inc. ("KB Home") for the design, construction, and financing of the water, sewer and drainage facilities, parks, and roads to serve land within the District owned by KB Home.

Following review and discussion, Director Welch moved to approve and authorize execution of the Amended and Restated Development Financing Agreement. Director Moriniere seconded the motion, which passed unanimously.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.



Secretary, Board of Directors

(SEAL)



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