

MINUTES  
WALLER COUNTY MUNICIPAL UTILITY DISTRICT NO. 37

December 12, 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 12th day of December, 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 Director Witcher, thus constituting a quorum.

Also attending the meeting were Tim Applewhite of McGrath & Co., PLLC ("McGrath"); Christie Leighton of Best Trash, LLC ("Best Trash"); Andrew Dunn and Alfred Segundo of On-Site Protection LLC; Stephen Eustis of Robert W. Baird & Co. Incorporated; Blair Bozoarth of Quiddity Engineering, LLC ("Quiddity"); Tracey Scott of Myrtle Cruz, Inc.; Dana Hollingsworth and Mia Hargrove 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 November 14, 2024, regular meeting. After review and discussion, Director Welch moved to approve the minutes, as presented. Director Moriniere seconded the motion, which passed unanimously.

SECURITY MATTERS

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

GARBAGE AND RECYCLING MATTERS, INCLUDING ANNUAL CONSUMER PRICE INDEX ADJUSTMENT

Ms. Leighton presented and reviewed a letter from Best Trash regarding the automatic annual Consumer Price Index ("CPI") price adjustment reflecting a cost increase from \$26.53 to \$27.82 per month per residence. A copy of the annual CPI adjustment letter is attached.

SERIES 2024 BOND ANTICIPATION NOTE MATTERS

RESOLUTION AUTHORIZING THE ISSUANCE OF THE DISTRICT'S BOND ANTICIPATION NOTE

Mr. Eustis presented two bids for the District's \$3,165,000 Bond Anticipation Note, Series 2024 (the "BAN"), and reported that the low bidder was Third Coast Bank with a total interest rate of 4.950%. He recommended awarding the BAN to Third Coast Bank.

The Board next considered adopting a Resolution Authorizing the Issuance of the District's BAN. Mr. Pagan reviewed the proposed Resolution with the Board and explained that the document sets forth the terms and provisions of issuance and delivery of the BAN, the payment of the BAN from a future bond issue by the District, and certain District covenants regarding the tax-exempt status of the BAN.

EXECUTION OF DOCUMENTS RELATED TO DISTRICT'S BOND ANTICIPATION NOTE

Mr. Eustis explained that there will be various documents related to the issuance of the BAN requiring execution by the directors prior to closing. He requested that the Board authorize the President and Secretary to execute documents necessary in connection with the transaction.

ACCEPT AND EXECUTE PURCHASERS' INVESTMENT AND BID LETTER

The Board considered authorizing execution of the Purchasers' Investment and Bid Letter by Third Coast Bank and various certificates and documents related to the issuance of the BAN.

EXECUTION OF CERTIFICATE REGARDING PROVISION OF FINANCIAL ADVICE

Mr. Pagan presented and reviewed with the Board a Certificate Regarding Provision of Financial Advice (the "Certificate").

DEVELOPER REIMBURSEMENT REPORT; DEVELOPER RECEIPTS;  
AUTHORIZE DISBURSEMENT OF BAN PROCEEDS

Mr. Applewhite reviewed a report of the amount reimbursable by the District to Astro Sunterra LP ("Astro Sunterra"), HMH Sunterra Land, LLC ("HMH Sunterra"), BC Sunterra, LLC ("BC Sunterra"), and KB Home Lone Star, Inc. ("KB Home") from the BAN. The Board considered approving the Receipts to be executed by Astro Sunterra, HMH Sunterra, BC Sunterra, and KB Home evidencing the receipt of reimbursement from the proceeds of the BAN for funds earlier advanced to the District and considered authorizing the disbursement of said funds to Astro Sunterra, HMH Sunterra, BC Sunterra, and KB Home.

After review and discussion, Director Deal moved to (1) award the BAN to Third Coast Bank; (2) adopt the Resolution Authorizing the Issuance of the District's BAN; (3) authorize execution of documents related to the issuance of the BAN; (4) authorize execution of the Purchasers' Investment and Bid Letter by Third Coast Bank and various certificates and documents related to the issuance of the BAN; (5) authorize execution of the Certificate and direct that it be filed appropriately and retained in the District's official records; (6) approve the developer reimbursement report; and (7) authorize reimbursement to Astro Sunterra, HMH Sunterra, BC Sunterra, and KB Home from the proceeds of the BAN upon funding of the BAN and contingent upon receipt of the executed receipts from Astro Sunterra, HMH Sunterra, BC Sunterra, and KB Home when funded on December 19, 2024. Director Welch seconded the motion, which passed by unanimous vote.

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 Deal moved to approve the tax assessor/collector's report. Director Welch seconded the motion, which was approved by unanimous vote.

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 updated the Board on the District's lead and copper service line inventory (the "Lead & Copper Inventory"). She discussed the requirements with regard to making the inventory publicly accessible. Discussion ensued and the Board concurred to post the following notice to the public as part of these minutes:

Waller County Municipal Utility District No. 37 has completed the Lead & Copper Inventory as required by the EPA. Through records research and field investigation of the distribution system, it has been determined that the system has no lead service lines or galvanized requiring replacement service lines. If you would like a copy of the Lead & Copper Inventory, please submit your request to wal037@txdistricts.info.

Ms. Hollingsworth requested authorization to write off 1 uncollectable account totaling \$116.63 and send it to a collection agency.

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. The Board discussed the timing of the terminations with regard to the holidays.

After review and discussion, Director Welch moved to (1) approve the operator's report; (2) approve the District's Lead & Copper Inventory and make a copy of the Inventory available by request submitted to wal037@txdistricts.info; (3) authorize MDS to write off 1 uncollectable account totaling \$116.63 and send it to a collection agency; and (4) defer terminations due to the holidays. Director Moriniere seconded the motion, which passed by unanimous vote.

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

Mr. Bozoarth updated the Board on engineering matters in the District, as reflected in Quiddity's report, a copy of which is attached.

PARK AND RECREATIONAL FACILITIES MATTERS

There was no discussion on this agenda item.

REPORT ON DEVELOPMENT

Mr. Bozoarth generally discussed development in the District.

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

*Mark Wither*

Secretary, Board of Directors

(SEAL)



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