

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

**Minutes of Meeting of Board of Directors
December 11, 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 with the exception of Director Braband, 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"); Ryan Haynes of Environmental Allies ("EA"); Jennifer Hanna of Forvis Mazars LLP ("Forvis"); 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 November 13, 2024. After discussion, Director Nicholson moved that the minutes be approved, as written. Director Berenger seconded said motion, which unanimously carried.

APPROVAL OF AUDIT REPORT FOR FISCAL YEAR ENDED AUGUST 31, 2024

Ms. Hanna next reviewed with the Board the draft of the District's audit report prepared by Forvis for the District's fiscal year ended August 31, 2024, a copy of which is attached hereto as **Exhibit A**. After discussion concerning the audit presented, Director Ambrose moved that (i) the audit report for the District's fiscal year ended August 31, 2024, be approved, subject to final review and comment by SPH and the Board, (ii) the President be authorized to execute the Annual

Filing Affidavit on behalf of the Board and the District, and (iii) the audit report and Annual Filing Affidavit be filed with the appropriate governmental authorities. Director Berenger seconded said motion, which unanimously carried.

In connection with the District's audit, Ms. Hanna next presented to and reviewed with the Board a draft Management Letter prepared by Forvis, concerning the Board's internal controls over financial reporting (the "Management Letter"), and the District's response to same prepared by SPH ("Management Response"), which is included in the Management Letter. A copy of the Management Letter is included with **Exhibit A**. After discussion, it was moved by Director Ambrose, seconded by Director Berenger and unanimously carried, that the draft Management Response be approved, as presented, and that the same be included in the final Management Letter.

BOOKKEEPING REPORT

Ms. Molina next reviewed the Bookkeeping Report dated December 11, 2024, a copy of which is attached as **Exhibit B**, including the disbursements presented for payment from the District's various accounts. After discussion on the matter, it was moved by Director Ricke that the Bookkeeping Report be approved and that the disbursements identified therein be approved for payment, including check no. 5884 payable to Gilleland Smith Construction, Inc. ("Gilleland") in connection with the Water Supply Plant No. 1 – Phase 4 project (the "Project"), and with the exception of check no. 5871, which was voided. Director Nicholson seconded said motion, which carried unanimously.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Scott then presented the Tax Assessor-Collector Report for the month of November 2024, a copy of which is attached hereto as **Exhibit C**. 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

Mr. Yeates next presented the District's delinquent tax report dated December 10, 2024, from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., a copy of which is attached as **Exhibit D**. He noted that no action was required on the matter at this time.

ENGINEERING REPORT

Ms. Helvey 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 Ambrose, seconded by Director Nicholson and unanimously carried, that all action items included in the Engineering Report be approved, as recommended by LJA, including the approval of Pay Estimate No. 8 in the amount of \$355,545.00 submitted by Gilleland for the Project.

Ms. Helvey next presented and reviewed with the Board a Five and Ten year Capital Improvement Plan for the District, a copy of which is attached to the Engineering Report. Following discussion, no action was taken by the Board at this time.

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 for the month of November 2024 with regard to mowing and maintenance of District drainage and detention areas, a copy of which Report is attached hereto as **Exhibit F**. He then presented and reviewed a proposal in the amount of \$70,999.09 to install a pipe gate and bollards to deter vehicle traffic and parking in the grass area along Woodtrace Boulevard, a copy of which is attached to EA's report. A discussion ensued regarding revising the proposal to include bollards and ten (10) parking spots. Following discussion, Mr. Haynes advised he would provide an updated proposal at the Board's January meeting.

OPERATION AND MAINTENANCE REPORT

Mr. Rowe presented and reviewed the Operation and Maintenance Report for the month of October 2024, a copy of which is attached hereto as **Exhibit G**. He advised that Booster Pump No. needs to be repaired, and the air compressor located in the control room needs to be replaced at an estimated cost of \$4,950.04. Following discussion, Director Ricke moved that the Board approve (i) repair of Booster Pump No. 3 at a cost not to exceed \$5,000, and (ii) replacement of the air compressor at a cost not to exceed \$5,000. Director Berenger seconded the motion, which unanimously carried.

Mr. Rowe next advised that the generator located at the Wastewater Treatment Plant is currently not operational, and that WDM is investigating the matter with the contractor.

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. In connection therewith, Mr. Yeates

reviewed with the Board a memorandum prepared by SPH concerning the Environmental Protection Agency's final National Primary Drinking Water Regulation ("NPDWR") for per and polyfluoroalkyl substances ("PFAS"), a copy of which is attached hereto as **Exhibit H**. He advised that the NPDWR establishes maximum contaminant levels ("MCLs") for six categories of the twenty-nine PFAS chemicals that may be found in public water systems, as well as an initial testing schedule for those categories that must be followed by certain districts. Mr. Yeates further advised that the applicability of the NPDWR to the District will depend, in part, on a review of the sources and disinfection treatments for the District's water supply. For example, districts which receive treated water from another water system through an interconnect for distribution without further treatment, except any treatment necessary to maintain water quality within the receiving district's distribution system, are not required to monitor that water under the NPDWR. He noted that, for applicable districts, initial water supply monitoring is required to be completed by April 26, 2027. Mr. Yeates stated that, depending on initial monitoring results, further monitoring will be established and a solution must be implemented to reduce PFAS levels for these six categories below the MCLs by April 26, 2029.

Following discussion, Director Ambrose moved that WDM and LJA be authorized to (i) determine whether the District is subject to the testing requirements of the NPDWR and, if so, (ii) develop an initial monitoring schedule which complies with the deadlines set forth in the attached memorandum. Director Nicholson seconded the motion, which unanimously carried.

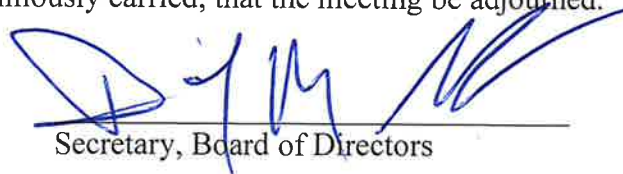
Mr. Yeates next presented an Annual Disclosure provided by Masterson Advisors, LLC relative to MSRB Rule G-10, a copy of which is attached hereto as **Exhibit I**.

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 Ricke and unanimously carried, that the meeting be adjourned.


Secretary, Board of Directors

LIST OF ATTACHMENTS

<u>Exhibit A</u>	Draft Audit Report
<u>Exhibit B</u>	Bookkeeper's Report
<u>Exhibit C</u>	Tax Assessor/Collector's Report
<u>Exhibit D</u>	Delinquent Tax Report
<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>	Memorandum prepared by SPH concerning the Environmental Protection Agency's final National Primary Drinking Water Regulation for per and polyfluoroalkyl substances
<u>EXHIBIT I</u>	Annual Disclosure provided by Masterson Advisors, LLC relative to MSRB Rule G-10