

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

**Minutes of Meeting of Board of Directors
January 8, 2025**

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 Nicholson, 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"), who entered later in the meeting as noted herein; Justin Klump and David Valdez of Storm Water Solutions, LP ("SWS"); Ryan Haynes and Adam Farr of Environmental Allies ("EA"); Greg Thomas, Leland Bosworth, and Martha Bosworth, residents of the District; and Bryan Yeates and Kris Eddlemon of Schwartz, Page & Harding, L.L.P. ("SPH").

The Vice 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 December 11, 2024. After discussion, Director Ricke moved that the minutes be approved, as written. Director Ambrose seconded said motion, which unanimously carried.

BOOKKEEPING REPORT

Ms. Molina next reviewed the Bookkeeping Report dated January 8, 2025, 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 Braband that the

Bookkeeping Report be approved and that the disbursements identified therein be approved for payment, with the exception of check no. 5888, which was voided. Director Berenger seconded said motion, which carried unanimously.

Mr. Rowe entered the meeting at this time.

Ms. Molina additionally presented and reviewed with the Board a Quarterly Investment Inventory Report (the "Report") for the reporting period ended November 30, 2024, a copy of which is attached to the Bookkeeping Report. After further discussion of the Report and upon motion duly made by Director Braband, 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.

RESOLUTION ADOPTING LIST OF QUALIFIED BROKERS AUTHORIZED TO ENGAGE IN INVESTMENT TRANSACTIONS WITH DISTRICT

The Board deferred adoption of a Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District.

TAX ASSESSOR-COLLECTOR REPORT

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

EXEMPTIONS FROM TAXATION

Mr. Yeates then outlined for the Board the various tax exemptions available for the District, including the exemptions provided for by the Texas Constitution and the Texas Tax Code, as amended. He advised that under said provisions, the District may provide for the exemption of up to 20% (but not less than \$5,000, if granted) of the market value of residential homestead improvements for the year 2025, and the District may also exempt residential homesteads of persons who are under a disability for purposes of payment of disability insurance benefits under the Federal Old Age, Survivors and Disability Insurance Act, or its successor, or persons sixty-five years of age or older from ad valorem taxes levied by the District during the calendar year 2025, and, if any such exemptions are granted, they must be for not less than \$3,000 of the market value of such homesteads. After further discussion of the matter, Director Ambrose moved that the District (i) not grant the residential homestead exemption, (ii) grant an exemption for persons

under a disability or sixty-five years of age or older in the amount of \$10,000 from ad valorem taxes levied by the District during the calendar year 2025, and (iii) approve the Resolution relative to same, attached hereto as **Exhibit C**. Director Braband seconded said motion, which carried unanimously.

RESOLUTION AUTHORIZING AN ADDITIONAL PENALTY ON DELINQUENT PERSONAL PROPERTY TAXES

The Board considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes. Mr. Yeates advised that the Board is authorized, pursuant to Section 33.11 of the Texas Tax Code, as amended, to impose, under certain conditions, an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due the District on personal property taxes that remain delinquent sixty (60) days after the date on which they become delinquent, as more fully described in said Resolution. After discussion, it was moved by Director Berenger, seconded by Director Ambrose and unanimously carried, that the Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes, attached hereto as **Exhibit D**, be passed and adopted by the Board.

ENGINEERING REPORT

Ms. Helvey presented and reviewed with the Board a written Engineering Report, a copy of which is attached hereto as **Exhibit E**. 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 ("SWMP"). In that regard, Mr. Klump updated the Board on the District's SWMP and permit status. He also distributed and reviewed the Year 6 training and goals under the SWMP. Mr. Klump began his training session with the Board and other consultants. He stated the topic of the Year 6 training was stormwater pollution prevention, the minimum control measures, and bacteria-specific elements. He then presented to and reviewed with the Board the Year 6 Annual Report and Training Summary (the "Summary"), the Phase II (Small) MS4 Annual Report (the "Annual Report"), and a proposed utility bill insert. Copies of the Summary, Annual Report, and utility bill insert are attached hereto as **Exhibit F**. After discussion, Director Braband moved that the Annual Report (including the utility bill insert) be approved as presented, and that the Vice President be authorized to execute the Annual Report on behalf of the Board and the District. Director Ambrose seconded said motion, which carried unanimously.

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 December 2024 with regard to mowing and maintenance of District drainage and detention areas, a copy of which Report is attached hereto as **Exhibit G**. He then presented and reviewed an updated proposal in the amount of \$60,349.47 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. Discussion ensued regarding traffic concerns and the installation of signage. Following discussion, the Board requested that LJA review the design plans, and that three (3) proposals be obtained for this project for review and consideration by the Board.

OPERATION AND MAINTENANCE REPORT

Mr. Rowe presented and reviewed the Operation and Maintenance Report for the month of November 2024, a copy of which is attached hereto as **Exhibit H**. He advised that there is one (1) delinquent account totaling \$95.74, 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 Berenger moved that (i) WDM be authorized to terminate service to delinquent accounts in accordance with the District's Rate Order, and (ii) the account discussed be forwarded to Collections Unlimited for further handling. Director Ricke seconded said motion, which unanimously carried.

UTILITY COMMITMENTS

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

AUTHORIZE PREPARATION AND SUBMISSION OF DISTRICT INFORMATION TO TEXAS COMPTROLLER OF PUBLIC ACCOUNTS FOR INCLUSION IN THE SPECIAL PURPOSE DISTRICT PUBLIC INFORMATION DATABASE

Mr. Yeates next informed the Board that, pursuant to provisions of Chapter 403, Government Code, and Chapter 203, Local Government Code, the District is required to submit information to the Texas Comptroller of Public Accounts (the "Comptroller") for inclusion in the Special Purpose District Public Information Database. Following discussion, Director Ambrose moved that the District's auditor, Forvis Mazars LLP, be authorized to prepare the required information and submit same to the Comptroller for inclusion in the Special Purpose District Public Information Database. Director Berenger seconded the motion, which unanimously carried.

RENEWAL OF DISTRICT INSURANCE POLICIES

The Board next considered authorizing solicitation of proposals for renewal of the District's insurance policies. In that regard, Mr. Yeates advised the Board that the District's current insurance policies are provided through McDonald & Wessendorff and that such policies will expire on March 31, 2025. He inquired whether the Board desired to have SPH request written proposals from other insurance providers. After discussion, Director Ricke moved that SPH be authorized to solicit a renewal proposal from McDonald & Wessendorff for the Board's review at the next meeting. Director Berenger seconded the motion, which unanimously carried.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Mr. Yeates presented and reviewed with the Board an Annual Financial and Operating Report prepared by McCall, Parkhurst & Horton L.L.P. ("MPH"), the District's Disclosure Counsel, a copy of which is attached hereto as **Exhibit I**. After discussion, the Board concurred that MPH be authorized to file same with the appropriate repositories prior to the deadline.

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 Berenger 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>	Resolution Concerning Exemptions From Taxation
<u>Exhibit D</u>	Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes
<u>Exhibit E</u>	Engineering Report
<u>Exhibit F</u>	Year 6 Annual Report and Training Summary, Phase II (Small) MS4 Annual Report, and proposed utility bill insert
<u>Exhibit G</u>	Report – Environmental Allies
<u>Exhibit H</u>	Operations and Maintenance Report
<u>Exhibit I</u>	Annual Financial and Operating Report prepared by McCall, Parkhurst & Horton L.L.P.