

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

**Minutes of Meeting of Board of Directors
August 13, 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, 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; Melissa Vasquez of Forvis Mazars, LLP ("Forvis"); Christine Crotwell of Masterson Advisors LLC ("Masterson"); Ryan Haynes of Environmental Allies ("EA"); 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 11, 2025. After discussion, Director Ambrose moved that the minutes be approved, as written. Director Braband seconded said motion, which unanimously carried.

BOOKKEEPING REPORT

Ms. Molina next reviewed the Bookkeeping Report dated August 13, 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 Ricke that the

Bookkeeping Report be approved and that the disbursements identified therein be approved for payment. 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, 2025, a copy of which is attached to the Bookkeeping Report. After further discussion of the Report and upon motion duly made by Director Ricke, 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.

Mr. Rowe entered the meeting at this time.

FINANCIAL ADVISOR'S RECOMMENDATION CONCERNING THE DISTRICT'S PROPOSED 2025 TAX RATE

Ms. Crotwell discussed Masterson's tax rate recommendation for the District's proposed 2025 debt service tax rate. Discussion ensued regarding the requirements for notice of the District's intention to adopt a 2025 tax rate. Mr. Yeates advised that, pursuant to Section 49.236 of the Texas Water Code, as amended, the District is required to provide a notice containing certain tax-related information in connection with each meeting at which the adoption of a tax rate will be considered. He further advised that the information to be included in the notice is set forth in the Texas Water Code and includes the proposed tax rate to be adopted. Mr. Yeates advised that the District must provide the notice by either (1) publishing it at least once in a newspaper having general circulation in the District at least seven (7) days before the date of the meeting at which the tax rate will be adopted, or (2) mailing it to each owner of taxable property in the District, at the address shown on the most recently certified tax roll of the District, at least ten (10) days before the date of the meeting. After further discussion on the matter, Director Nicholson moved that (i) the Board accept Masterson's recommendation of the District's intention to adopt a total 2025 tax rate of \$1.00 per \$100 of assessed valuation at its next meeting in the form and at the time required by law, and (ii) Leared be authorized to publish the required notice, as required by law. Director Ricke seconded said motion which unanimously carried.

OPERATING BUDGET

Ms. Molina presented to and reviewed with the Board a proposed operating budget for the District's fiscal year ending August 31, 2026, a copy of which is included with **Exhibit A**. Following discussion, Director Ambrose moved that the proposed budget for the District's fiscal year ending August 31, 2026, be adopted, as presented. Director Berenger seconded said motion which unanimously carried.

ENGAGEMENT OF AUDITOR IN CONNECTION WITH AUDIT REPORT FOR FISCAL YEAR ENDING AUGUST 31, 2025

Ms. Vasquez next presented and discussed with the Board an engagement letter from Forvis for the District's audit report for its fiscal year ending August 31, 2025, a copy of which is attached hereto as **Exhibit B**. She advised the Board that the cost for the preparation of such audit

is estimated to be \$24,500 plus expenses. After discussion on the matter, Director Braband moved that (i) Forvis be engaged to conduct the District's audit for its fiscal year ending August 31, 2025, (ii) Forvis' engagement letter be approved and the President be authorized to execute same on behalf of the Board and the District, and (iii) Forvis' Texas Ethics Commission ("TEC") Form 1295 submitted in connection therewith be accepted. Director Berenger seconded said motion, which carried unanimously.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Scott then presented the Tax Assessor-Collector Report for the month of July 2025, a copy of which is attached hereto as **Exhibit C**. 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 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 dated June 11, 2025, a copy of which is attached hereto as **Exhibit D**. Following discussion, it was moved by Director Ambrose, seconded by Director Berenger and unanimously carried, that all action items included in the Engineering Report be approved, as recommended by LJA, including (i) approval and payment of Pay Estimate No. 12 submitted by Gilleland Smith Construction, Inc. in the amount of \$10,091.73 for Water Supply Plant No. 1 Phase 4, (ii) approval and payment of Pay Estimate No. 1 and Change Order No. 1 submitted by ISJ Underground Utilities in the amounts of \$85,840.20 and \$122,931.12, respectively, for Coe and Wright Roads Waterline Extensions (the "Project"), (iii) approval of a proposal provided by Terracon in the amount of \$8,200, and a Change Order from LJA in the amount of \$16,000, for materials testing and engineering services, respectively, in connection with the Project, and (iv) approval of a proposal for electrical improvements at District facilities in an amount not to exceed \$25,000.

STATUS OF BOND APPLICATION REPORT

The Board next discussed the status of the Bond Application Report for the District's \$3,710,000 Unlimited Tax Park Bonds, Series 2025 Bonds (the "Bonds"). In that regard, Mr. Yeates advised that the District received a copy of the final order and staff memo from the Texas Commission on Environmental Quality approving and authorizing the issuance of the Bonds.

Ms. Crotwell then presented to and reviewed with the Board the draft Preliminary Official Statement ("POS") and Official Notice of Sale in connection with the proposed sale of the Bonds with the Board. She recommended that the sale of the Bonds be scheduled for September 10,

2025, and that the Board approve the POS and authorize publication of the Official Notice of Sale in accordance with applicable legal requirements. After discussion concerning the POS, Director Nicholson moved that, subject to final review and approval by the Board and the District's consultants, such offering materials be approved, completed and distributed in anticipation of the sale of the Bonds, and that such POS be deemed to be final for all purposes with the exception of any additional materials or information relating to subsequent material events, offering prices, interest rates, selling compensation, identity of the underwriters, aggregate principal amounts and other similar information, terms and provisions to be specified in the competitive bidding process. Director Ambrose seconded said motion, which unanimously carried.

AUTHORIZE FINANCIAL ADVISOR TO ADVERTISE FOR SALE OF THE BONDS

The Board then considered authorizing the District's financial advisor to advertise for the sale of the Bonds. After discussion on the matter, Director Nicholson moved that Masterson be authorized to advertise for the sale of the Bonds in accordance with applicable legal requirements. Director Ambrose seconded said motion, which unanimously carried.

DESIGNATION OF PAYING AGENT/REGISTRAR FOR THE BONDS

The Board next considered the designation of a Paying Agent/Registrar in connection with the Bonds. Ms. Crotwell recommended designating The Bank of New York Mellon Trust Company, N.A. ("BONY") as the Paying Agent/Registrar for the District's proposed Bonds. After discussion, Director Nicholson moved that BONY be designated as Paying Agent/Registrar for the Bonds. Director Ambrose seconded the motion, which unanimously carried.

ATTORNEY GENERAL'S FEES FOR THE BONDS

The Board next considered authorizing the District's bookkeeper to prepare a wire transfer authorization for payment of the Attorney General's fees in connection with the review of the transcript of proceedings relative to the Bonds. After discussion on the matter, Director Nicholson moved that the District's bookkeeper be authorized to prepare a wire transfer authorization payable to the Attorney General of Texas, as discussed. Director Ambrose seconded the motion, which unanimously carried.

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.

AMENDED AND RESTATED UTILITY DEVELOPMENT AGREEMENT

The Board next considered approval of an Amended and Restated Utility Development Agreement between the District and Primewood Investments, LP ("Primewood") relative to the construction of water, sanitary sewer and drainage facilities, and recreational facilities necessary to serve the District. Following discussion, Director Ambrose moved that (i) the Amended and Restated Utility Development Agreement between the District and Primewood be approved, and that the President be authorized to execute same on behalf of the Board and the District, and (ii) SPH be authorized to accept and acknowledge the associated TEC Form 1295. Director Berenger seconded the motion, which unanimously carried.

REPORT FROM ENVIRONMENTAL ALLIES

Mr. Haynes next presented and reviewed a report provided by EA for the month of July 2025 with regard to mowing and maintenance of District drainage and detention areas, a copy of which Report is attached hereto as **Exhibit E**. He then presented and reviewed proposals related to tree and brush removal in the amount of \$10,050, drainage and erosion repairs in the amount of \$14,896.17, bollard and fence configuration in the amount of \$18,057.60, and additional services related to the parking lot project in the amount of \$23,838.80, copies of which proposals are included as part of **Exhibit E**. Following discussion, Director Berenger moved that the Board (i) approve the proposals for tree and brush removal, drainage and erosion repairs, and additional services related to the parking lot project, (ii) authorize SPH to accept and acknowledge the associated TEC Form 1295's, and (iii) defer approval of the proposal for bollard and fence configuration. Director Nicholson seconded the motion, which unanimously carried.

OPERATION AND MAINTENANCE REPORT

Mr. Rowe presented and reviewed the Operation and Maintenance Report for the month of June 2025, a copy of which is attached hereto as **Exhibit F**. He advised that the well motor failed, and that WDM obtained emergency approval from Director Nicholson to order a new motor at a cost of \$32,174.00. A discussion ensued regarding the installation of surge project equipment at the District's facilities. Following discussion, Director Ambrose moved that the purchase of the well motor be ratified and approved in all respects, and that WDM be authorized to obtain a proposal for the installation of surge protection equipment at District facilities. Director Ricke seconded the motion, which unanimously carried.

Mr. Rowe then presented proposals related to removal of certain falling or damaged trees within the District. Following discussion, Director Ambrose moved that WDM be authorized to remove those certain trees identified by WDM at a cost of \$7,600. Director Ricke seconded the motion, which unanimously carried.

Mr. Rowe next advised that Stage One of the District's Drought Contingency Plan has been implemented within the District.

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 advised the Board that he had nothing additional to discuss with the Board of a legal nature which was not covered under specific agenda items.

ENGAGEMENT OF AUDITOR FOR PREPARATION OF AUDIT OF PAYMENTS FROM BOND PROCEEDS

The Board then considered the engagement of an auditor for preparation of audit of payments to the developer and other parties out of the proceeds of the Bonds. In connection therewith, Ms. Vasquez presented and reviewed with the Board an engagement letter for said reimbursement audit. After discussion, Director Nicholson moved that (i) Forvis be engaged to prepare an audit of the payments proposed to be made out of the proceeds of the Bonds, in accordance with the terms outlined in Forvis' engagement letter, a copy of which is attached hereto as **Exhibit G**, (ii) the President be authorized to execute such engagement letter on behalf of the Board and the District, and (iii) the TEC Form 1295 provided by Forvis be approved and SPH be authorized to acknowledge receipt of same with the TEC. Director Braband seconded said motion, which unanimously carried.

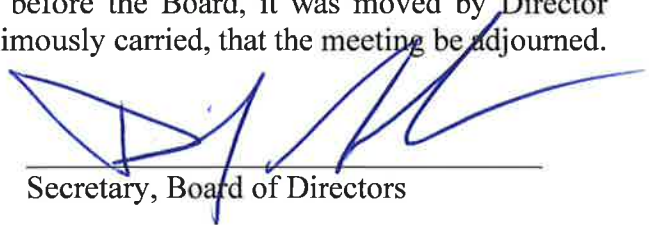
FUTURE AGENDA ITEMS

The Board next considered matters for possible placement on future agendas. Ms. Helvey requested that items be included on the September agenda related to (i) amendment of the District's contract with LJA, and (ii) renewal of the District's Wastewater Treatment Plant permit.

ADJOURNMENT

There being no further business to come before the Board, it was moved by Director Ambrose, seconded by Director Braband and unanimously carried, that the meeting be adjourned.




Secretary, Board of Directors

LIST OF ATTACHMENTS

<u>Exhibit A</u>	Bookkeeper's Report; Operating Budget
<u>Exhibit B</u>	Engagement Letter – Forvis (Audit Report)
<u>Exhibit C</u>	Tax Assessor/Collector's Report
<u>Exhibit D</u>	Engineering Report
<u>Exhibit E</u>	Report – Environmental Allies; Proposals
<u>Exhibit F</u>	Operations and Maintenance Report
<u>Exhibit G</u>	Engagement Letter – Forvis (Series 2025 Park Bonds)