

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

**Minutes of Meeting of Board of Directors
October 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, thus constituting a quorum.

Also present were Kristen Scott of Bob Leared Interests ("Leared"); Craig Kalkomey of LJA Engineering, Inc. ("LJA"); Dulcé Molina of Municipal Accounts & Consulting, L.P. ("MA&C"); Josh Rowe of Water District Management Company, Inc. ("WDM"); Austin Ficken of Masterson Advisors LLC ("Masterson"), who entered later in the meeting as noted herein; Jennifer Hanna of Forvis Mazars LLP ("Forvis"); 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 September 10, 2025. 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 October 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. 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 August 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 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.

Mr. Ficken entered the meeting at this time.

STATUS OF COMPLIANCE BY THE DISTRICT WITH TEXAS GOVERNMENT CODE, CHAPTER 2265 RELATIVE TO ENERGY REPORTING

The Board considered the status of the District's compliance with Texas Government Code, Chapter 2265 relative to energy reporting requirements. Mr. Yeates advised that the District must report its annual electricity usage and cost and make said report accessible to the public. Ms. Molina advised that MA&C will obtain a copy of same for review by the Board next month.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Scott then presented the Tax Assessor-Collector Report for the month of September 2025, a copy of which is attached hereto as **Exhibit B**. After discussion, Director Berenger 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 Ricke seconded said motion, which carried unanimously.

DELINQUENT TAX 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.

AUTHORIZE PREPARATION AND FILING OF INITIAL LOCAL GOVERNMENT BOND, TAX, AND PROJECT REPORT

Mr. Yeates advised the Board that, pursuant to Chapter 403, Texas Government Code, as amended by House Bill 103 in the 89th Regular Legislative Session, every taxing unit that currently levies a tax, including the District, must annually submit a tax rate and bond authorization and issuance report to the Comptroller of Public Accounts (the "Comptroller") for inclusion in the Comptroller's Local Government, Bond, Tax, and Project Database. He stated that the initial report will include historical tax rate and bond election and issuance information for the District for the previous ten year period and must be submitted by January 1, 2026. Following discussion, Director Ambrose moved that the District's consultants be authorized to prepare the report, and that SPH be authorized to submit same to the Comptroller on the District's behalf. Director Braband seconded the motion which carried unanimously.

ENGINEERING REPORT

Mr. Kalkomey presented and reviewed with the Board a written Engineering Report dated October 8, 2025, a copy of which is attached hereto as **Exhibit C**. Following discussion, it was moved by Director Ricke, 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. 2 submitted by ISJ Underground Utilities in the amount of \$150,165.11 for Coe and Wright Road Waterline Extension (the "Project"), (ii) approval of an invoice submitted by Terracon in the amount of \$958.75 in connection with services performed in connection with the Project, (iii) approval of an invoice submitted by Terracon in the amount of \$6,700 in connection with subsurface exploration and testing services, and (iv) acceptance by the District of various recreational sites and facilities.

STATUS OF THE DISTRICT'S \$3,710,000 UNLIMITED TAX PARK BONDS, SERIES 2025; APPROVAL OF AUDIT REPORT RELATIVE TO PAYMENT OF PROCEEDS FROM SAID BONDS

The Board next considered the status of the District's \$3,710,000 Unlimited Tax Park Bonds, Series 2025 (the "Bonds"), and the review and approval of an audit report relative to the payment of the proceeds of the Bonds. Mr. Yeates reported that the District received preliminary approval of the transcript of proceedings relative to the sale of the Bonds from the Attorney General of the State of Texas, and that he anticipates the closing of the sale of the Bonds to occur on Tuesday, October 14, 2025, at 10:00 a.m., Houston, Texas time.

The Board next considered the approval of an audit report prepared by Forvis in connection with the issuance of the Bonds and the disbursement of bond proceeds in accordance with same. In that regard, Ms. Hanna reviewed in detail with the Board a draft of said audit report, a copy of which is attached hereto as **Exhibit D**. She advised the Board of the procedures performed by Forvis in connection with the preparation of the audit report and of the various documents reviewed in connection therewith. After review and discussion of the audit report, it was moved by Director Ricke that the audit report be approved, and that the Board authorize the disbursement of the bond proceeds in accordance with and as set forth in the audit report, subject to the closing of the sale of the Bonds, and receipt of a Receipt and Indemnity from Friendswood Development Company. Director Nicholson seconded the motion, which unanimously carried.

INTERNAL REVENUE SERVICE FORM 8038-G

The Board next considered authorizing the execution and filing of an Internal Revenue Service Reporting Form 8038-G (the "Form") relative to the issuance of the Bonds. After discussion on the matter, it was moved by Director Ricke that the President be authorized to execute said Form on behalf of the Board and the District and that the Form be filed as required. Director Nicholson seconded the motion, which unanimously carried.

CORRESPONDENCE FROM BOND COUNSEL REGARDING EXPENDITURE AND INVESTMENT OF BOND PROCEEDS

Mr. Yeates next presented correspondence from SPH, as Bond Counsel for the issuance of the Bonds, addressed to the Board regarding certain provisions of the federal tax law and regulations of the Internal Revenue Service pertaining to the expenditure and investment of proceeds of the Bonds and reviewed same in detail, a copy of which is attached hereto as **Exhibit E**. He advised the Board that certain periodic reviews and reports would be required to monitor compliance with the requirements set forth therein and that arbitrage rebate or yield reduction payments could be required to be made based on said review and reports. Mr. Yeates also advised the Board that the District's Bookkeeper would monitor investment rates and that the District's Financial Advisor would review the debt service fund balance and coverage in connection with the annual tax rate recommendation. He advised the Board, however, that compliance with the requirements is ultimately the responsibility of the Board.

AMENDMENT TO THE DISTRICT'S FIRST AMENDED AND RESTATED DISTRICT INFORMATION FORM

Mr. Yeates presented and discussed with the Board an Amendment to the District's Third Amended and Restated District Information Form relative to the issuance of the Bonds. After discussion regarding said form, Director Ricke moved that the Amendment to the Third Amended and Restated District Information Form be approved and that the Board members present be authorized to execute same on behalf of the Board and the District. Director Nicholson seconded said motion, which carried unanimously.

OTHER MATTERS IN CONNECTION WITH THE ISSUANCE OF THE BONDS

A discussion ensued regarding the approval of various documents to be utilized for the closings of the Bonds. In that regard, Mr. Yeates reviewed the various closing documents with the Board. After discussion on the matter, Director Ricke moved that such closing documents be approved and that the President be authorized to execute and the Secretary to attest same on behalf of the Board and the District. Director Nicholson seconded said motion, which unanimously carried.

BASEFUND

The Board next discussed the use of the BaseFund portal for closing and transaction wire fraud insurance. Following discussion, Director Ricke moved that BaseFund be used for the closing of the Bonds, including the purchase of wire fraud insurance. Director Nicholson 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.

REPORT FROM ENVIRONMENTAL ALLIES

Mr. Haynes next presented and reviewed a report provided by EA for the month of September 2025 with regard to mowing and maintenance of District drainage and detention areas, a copy of which Report is attached hereto as **Exhibit F**. No action was taken by the Board at this time.

OPERATION AND MAINTENANCE REPORT

Mr. Rowe presented and reviewed the Operation and Maintenance Report for the month of August 2025, a copy of which is attached hereto as **Exhibit G**. He advised that there is one (1) delinquent account totaling \$34.29, 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.

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.

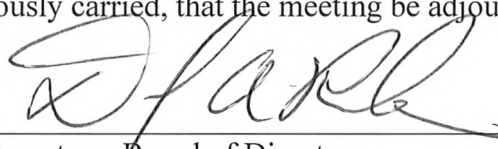
FUTURE AGENDA ITEMS

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 Braband, seconded by Director Ambrose 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>	Engineering Report
<u>Exhibit D</u>	Draft Audit Report – Unlimited Tax Park Bonds, Series 2025
<u>Exhibit E</u>	SPH Correspondence - Unlimited Tax Park Bonds, Series 2025
<u>Exhibit F</u>	Report – Environmental Allies
<u>Exhibit G</u>	Operations and Maintenance Report