

WALLER COUNTY MUNICIPAL UTILITY DISTRICT NO. 35

Minutes of the Meeting of Board of Directors
September 8, 2025

The Board of Directors (the "Board") of Waller County Municipal Utility District No. 35 (the "District") met in regular session, open to the public, on September 8, 2025, in accordance with the duly posted Notice of Public Meeting, and the roll was called of the duly constituted members of the Board, as follows:

Victoria A. Battistini, President
Ryan C. Ward, Vice President
Jaclyn Day, Secretary
Daniel C. Feiler, Assistant Secretary
Tiffani S. Walker, Assistant Secretary

all of whom were present with the exception of Directors Day and Feiler, thus constituting a quorum.

Also present were: Blair Bozoarth of Quiddity Engineering, LLC ("Quiddity"); Jennifer Abad of Municipal Accounts & Consulting, L.P. ("MA&C"); Dana Hollingsworth and Mia Hargrove of Municipal District Services, LLC ("MDS"); David Wood of Robert W. Baird & Co., Inc. ("Baird"); Patty Rodriguez of BLICO, Inc., dba Bob Leared Interests ("BLICO"); Tiffany Wilkes of Kudela & Weinheimer ("K&W"); Brian Krueger of Forvis Mazars, LLP ("Forvis"); and Christina Cole 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 the Board.

PUBLIC COMMENTS

There were no comments from members of the public.

MINUTES

The Board considered the minutes of its meeting held on August 11, 2025. After discussion, it was moved by Director Ward, seconded by Director Battistini, and unanimously carried, that said minutes be approved, as written.

REVIEW AND APPROVAL OF AUDIT REPORT FOR FISCAL YEAR ENDED MAY 31, 2025

The Board considered the review and approval of the District's audit report for the fiscal year ended May 31, 2025. In connection therewith, Mr. Krueger presented a draft of the audit report prepared by Forvis, a copy of which is attached hereto as **Exhibit A**, and reviewed said

report in detail with the Board. He also presented and reviewed with the Board a draft Management Letter prepared by Forvis, concerning the Board's internal controls over financial reporting (the "Management Letter"), a copy of which is attached hereto as part of **Exhibit A**. Mr. Krueger advised the Board that the Management Letter is being submitted in connection with the requirements of Statement on Auditing Standards No. 115 and includes a response prepared by SPH on the District's behalf ("Management's Response"). After discussion concerning the audit presented, Director Ward moved that (i) the audit report for the fiscal year ended May 31, 2025, be approved, subject to incorporation of any final comments from the District's consultants and the Board, (ii) the President be authorized to execute the Annual Filing Affidavit on behalf of the Board and the District, (iii) such audit report and Annual Filing Affidavit be filed with the appropriate governmental authorities, and (iv) the Management's Response previously prepared by SPH be approved by the Board and included by Forvis as part of the final Management Letter. Director Battistini seconded said motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Rodriguez presented to and reviewed with the Board a written Tax Assessor-Collector Report ("TAC Report") for the period ended August 31, 2025, including the disbursements presented therein for payment from the District's tax account, a copy of which TAC Report is attached hereto as **Exhibit B**. After discussion, on motion made by Director Ward, seconded by Director Battistini and unanimously carried, the Board approved the TAC Report and authorized the payments listed therein.

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

The Board next considered the Financial Advisor's recommendation concerning the District's proposed 2025 tax rate. In connection therewith, Mr. Wood presented to and reviewed with the Board the recommendation for the District's proposed 2025 maintenance and contract tax rates, a copy of the recommendation is attached hereto as **Exhibit C**. Mr. Wood advised that Baird is recommending a proposed debt service tax rate of \$0.53 per \$100 of assessed valuation, a maintenance tax rate of \$0.41 per \$100 of assessed valuation, and a contract tax rate of \$0.56 per \$100 of assessed valuation, for a total tax rate of \$1.50.

There next followed a discussion concerning the requirements for notice of the District's intention to adopt a 2025 tax rate. Ms. Cole advised that, pursuant to §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. Ms. Cole further advised that the information to be included in the notice is set forth in the Water Code and includes the proposed tax rate to be adopted. She 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 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 10 days before the date of the meeting.

After discussion on the matter, Director Walker moved that (i) the Board declare its intention to levy a proposed 2025 debt service tax rate of \$0.53 per \$100 of assessed valuation, a proposed 2025 maintenance tax rate of \$0.41 per \$100 of assessed valuation, and a proposed contract tax rate of \$0.56 per \$100 of assessed valuation, for a total tax rate of \$1.50 per \$100 of assessed valuation, and (ii) the District's tax assessor-collector be authorized to publish notice of the District's intention to adopt a 2025 tax rate at its next meeting in the form and at the time required by law. Director Ward seconded said motion, which unanimously carried.

OPERATOR'S REPORT

Ms. Hargrove presented to and reviewed with the Board the Operations Report dated September 8, 2025, a copy of which is attached hereto as **Exhibit D**. Following discussion, Director Ward moved that the Operator's Report be approved, and water service be terminated to those customers who remain delinquent in accordance with the terms of the District's Rate Order. Director Battistini seconded the motion, which unanimously carried.

ENGINEERING REPORT

Mr. Bozoarth next presented to and reviewed with the Board an Engineering Report dated September 8, 2025, a copy of which report is attached hereto as **Exhibit E**, relative to the status of various engineering and construction projects within the District. Upon review, Director Walker moved that the Engineering Report and all actions noted therein be approved as recommended by Quiddity, including ratification of the Board's approval and execution of a proposed Agreed Order issued by the Texas Commission on Environmental Quality ("TCEQ"). Director Battistini seconded the motion, which unanimously carried.

BOND APPLICATION REPORT FOR PROPOSED ISSUANCE OF UNLIMITED TAX BONDS, SERIES 2026 ("SERIES 2026 BONDS")

Mr. Bozoarth next updated the Board regarding Quiddity's preparation of the District's Bond Application Report No. 3 (the "BAR") in connection with the proposed issuance of the District's Series 2026 Bonds. He then reviewed with the Board a Summary of Costs for the BAR and the associated Bond Anticipation Note (the "Series 2025 BAN"), a copy of which is attached to the Engineering Report. In connection therewith, Ms. Cole presented to and reviewed with the Board an Order Authorizing Application to the TCEQ for Approval of Projects and Bonds and for Use of Surplus Funds and Interest Earned on Construction Funds (the "Order"), attached hereto as **Exhibit F**. Ms. Cole and Mr. Wood advised the Board that the Summary of Costs for both the BAR and the Series 2025 BAN, as well as the Order, are each subject to the final review of the District's consultants in connection with the finalization of the BAR. After discussion, Director Walker moved that the Board: (i) approve: (a) the Summary of Costs for the BAR in an amount not to exceed \$13,550,000 and the Series 2025 BAN in an amount not to exceed \$7,555,000 in connection with the proposed issuance of its Series 2026 Bonds and for use of surplus funds and interest earned on construction funds; and (b) the Order, subject to final review by the District's consultants; and (ii) authorize and direct the consultants to finalize and submit the BAR to the TCEQ for approval. Director Battistini seconded the motion, which unanimously carried.

SILT SOLUTIONS, INC.

The Board next considered a report from Silt Solutions, Inc. ("SSI") in connection with storm water pollution and prevention services. Ms. Cole advised that SSI provided a report for the period August 12, 2025 through September 2, 2025, a copy of which is attached hereto as **Exhibit G**.

LANDSCAPE ARCHITECTURE REPORT(S)

Ms. Wilkes presented to and reviewed with the Board a monthly report prepared by K&W regarding the status of various recreational projects, a copy of which report is attached hereto as **Exhibit H**. Following discussion, Director Walker moved that K&W's report and all actions noted therein be approved as recommended by K&W. Director Battistini seconded the motion, which unanimously carried.

BOOKKEEPER'S REPORT

Ms. Abad presented to and reviewed with the Board the Bookkeeper's Report, dated September 8, 2025, attached hereto as **Exhibit I**, including the disbursements presented for payment, as prepared by MA&C. After discussion, it was moved by Director Walker that the Bookkeeper's Report be approved, and that the disbursements identified in the Bookkeeper's Report be authorized for payment. Director Battistini seconded said motion, which unanimously carried.

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

The Board considered adopting a list of qualified brokers authorized to engage in investment transactions with the District. Ms. Cole advised that pursuant to the Public Funds Investment Act, the Board is required to review such list at least annually. She presented and reviewed with the Board the attached Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District, and a list of financial institutions, brokers and dealers attached thereto, together with a comparison of the list submitted and the list previously adopted by the Board, copies of which are attached hereto as **Exhibit J**. Ms. Cole further noted that the broker list presented is a list of potential institutions with which the District may engage in investment transactions compiled with the input of the District's Investment Officer, but it is ultimately the Board's decision as to where the District's funds are actually placed. After discussion, Director Walker moved that: (i) the attached Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District be approved by the Board and the District, and (ii) that the President and Assistant Secretary be authorized to execute same. Director Battistini seconded said motion, which unanimously carried.

INVESTMENT POLICY

The Board considered the annual review of its Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Investment Policy"), and the adoption of a

Resolution in connection therewith. Ms. Cole presented to and reviewed with the Board a memorandum prepared by SPH summarizing the proposed changes to the Investment Policy, a copy of which is attached hereto as **Exhibit K**. She presented for the Board's adoption a Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Resolution"). After discussion on the matter, Director Walker moved that the revised Investment Policy and Resolution attached hereto as **Exhibit L** be adopted to reflect the proposed changes as noted therein, that the President and Assistant Secretary be authorized to execute same, and that the District's Investment Officer be authorized to purchase certificates of deposit for the District through IntraFi's Certificate of Deposit Account Registry Service. Director Battistini seconded said motion, which unanimously carried.

DEVELOPER'S REPORT

It was noted that a developer representative was not present at the meeting.

SECURITY PATROL REPORT

Ms. Cole presented to and reviewed with the Board a Security Patrol Report prepared by On-Site Services, LLC for the month of August 2025, a copy of which is attached hereto as **Exhibit M**.

ATTORNEY'S REPORT

The Board considered the attorney's report. In connection therewith, Ms. Cole advised the Board that she had nothing further to discuss with the Board of a legal nature which was not covered under a specific agenda item.


FUTURE AGENDA ITEMS

The Board considered items for placement on future agendas. No items were requested to be added to future agendas other than those items discussed hereinabove.

ADJOURNMENT

There being no further business to come before the Board, on motion made by Director Walker, seconded by Director Battistini, and unanimously carried, the meeting was adjourned.

(SEAL)


Asst. Secretary

LIST OF ATTACHMENTS

- EXHIBIT A Draft Audit Report
- EXHIBIT B Tax Assessor-Collector's Report
- EXHIBIT C 2025 Tax Rate Recommendation
- EXHIBIT D Operations Report
- EXHIBIT E Engineering Report
- EXHIBIT F Order Authorizing Application to the TCEQ for Approval of Projects and Bonds and for Use of Surplus Funds and Interest Earned on Construction Funds
- EXHIBIT G Report provided by Silt Solutions, Inc.
- EXHIBIT H Landscape Architect Report (Kudela & Weinheimer)
- EXHIBIT I Bookkeeper's Report
- EXHIBIT J Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District
- EXHIBIT K Memorandum prepared by Schwartz, Page & Harding, L.L.P.
- EXHIBIT L Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer
- EXHIBIT M Security Patrol Report