

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

**Minutes of Meeting of Board of Directors
December 10, 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 Directors Nicholson and Ricke, 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"); Melissa Vasquez of Forvis Mazars LLP ("Forvis"); and Heather Kelly 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 November 12, 2025. After discussion, Director Braband moved that the minutes be approved, as written. Director Ambrose seconded said motion, which unanimously carried.

APPROVAL OF AUDIT REPORT FOR FISCAL YEAR ENDED AUGUST 31, 2025

Ms. Vasquez 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, 2025, 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, 2025, be approved, subject to final

review and comment by SPH and the Board, (ii) the Vice 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 Braband seconded said motion, which unanimously carried.

In connection with the District's audit, Ms. Vasquez 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 Braband 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 10, 2025, 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 Berenger that the Bookkeeping Report be approved and that the disbursements identified therein be approved for payment, with the exception of check nos. 6154 and 6155, which were voided. Director Braband seconded said motion, which carried unanimously.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Scott then presented the Tax Assessor-Collector Report for the month of November 2025, a copy of which is attached hereto as **Exhibit C**. After discussion, Director Braband 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 REPORT

Ms. Kelly next presented the District's delinquent tax report dated December 9, 2025, from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., a copy of which is attached as **Exhibit D**. She 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 dated December 10, 2025, a copy of which is attached hereto as **Exhibit E**. Following discussion, it was moved by Director Ambrose, seconded by Director Braband and unanimously carried, that all action items included in the Engineering Report be approved, as recommended by LJA, including approval of an invoice in the amount of \$2,550 from Terracon for subsurface exploration in connection with repairs to Decker Lake Dam and related drainage facilities.

Ms. Helvey next advised that the cost to perform traffic studies in the District is approximately \$4,500 per location. Following discussion, the Board concurred to defer taking action at this time.

Ms. Helvey next advised that LJA and WDM recently held a meeting to analyze and discuss the recent power outage at the Water Plant, and that a proposal for repairs and upgrades to the facilities will be presented to the Board at the January meeting.

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 November 2025 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 proposals related to removal of graffiti, copies of which are included with **Exhibit F**. Following discussion, the Board concurred to defer taking action in connection with the proposals at this time.

OPERATION AND MAINTENANCE REPORT

Mr. Rowe presented and reviewed the Operation and Maintenance Report for the month of October 2025, a copy of which is attached hereto as **Exhibit G**. Mr. Rowe next discussed the appeal received from a District customer that was presented at the previous meeting. He reminded the Board that the customer requested reimbursement for damage to floors and drywall in the amount of \$5,969.12 due to a sewage backup into their home. Discussion ensued regarding notifying the residence and the neighboring home that shares a sanitary line regarding grease disposal. After discussion, Director Ambrose moved that (i) SPH be authorized to prepare and send correspondence to the residences, as discussed, and (ii) WDM be authorized to issue a credit to the customer's water bill in the amount of \$2,984.56. Director Berenger seconded the motion, which unanimously carried.

Ms. Kelly next reported to the Board that the Texas Water Code requires a retail public utility providing potable water to perform and file with the Texas Water Development Board a water audit every five years computing the utility's most recent annual system water loss. In connection therewith, she requested that the Board consider authorizing the District's operator and engineer to perform a 2025 Water Loss Audit. After discussion, Director Ambrose moved that the District's operator be authorized to file the required water loss audit prior to the due date of May 1, 2026. Director Berenger seconded the motion which carried unanimously.

Mr. Rowe advised that there is one (1) delinquent account totaling \$294.24, 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 Ambrose

moved that the subject account be forwarded to Collections Unlimited for further handling. Director Berenger seconded said motion, which unanimously carried.

MESSAGING SERVICES FOR COMMUNICATION WITH DISTRICT CUSTOMERS

The Board deferred consideration of messaging services for communication with District customers until the next meeting.

UTILITY COMMITMENTS

Ms. Kelly reported that the District has not received any requests for utility commitments.

ATTORNEY'S REPORT

The Board next considered the attorney's report. In that regard, Ms. Kelly presented correspondence from the San Jacinto River Authority, a copy of which is attached hereto as **Exhibit H**, regarding notice of proposed amendments to its Rate Order. No action was taken by the Board at this time.

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.




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; Proposals
<u>Exhibit G</u>	Operations and Maintenance Report
<u>Exhibit H</u>	Correspondence from the San Jacinto River Authority