

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

**Minutes of Meeting of Board of Directors
May 13, 2026**

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 Ambrose, thus constituting a quorum.

Also present were Kristen Scott and Robin Goin of Bob Leared Interests ("Leared"); Shayna Helvey and Chris Chomer of LJA Engineering, Inc. ("LJA"); Dulcé Molina and Kyle Burton of Municipal Accounts & Consulting, L.P. ("MA&C"); Josh Rowe and Justin Morgan of Water District Management Company, Inc. ("WDM"); Ryan Haynes of Environmental Allies ("EA"); Christine Crotwell of Masterson Advisors LLC ("Masterson"); Michael Zanella, who entered later in the meeting as noted herein, and Greg Thomas, residents of the District; and Heather Kelly 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 April 8, 2026. After discussion, Director Ricke moved that the minutes be approved, as written. Director Berenger seconded said motion, which unanimously carried.

BOOKKEEPING REPORT

Ms. Molina presented to and reviewed with the Board a District Snapshot Report prepared by EVO, a division of MA&C, a copy of which is attached to the Bookkeeper's Report (**Exhibit A**).

Mr. Zanella entered the meeting at this time.

Ms. Molina next reviewed the Bookkeeping Report dated May 13, 2026, 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, including check no. 2154 in the amount of \$71,308.99 payable to ISJ Underground Utilities ("ISJ"), and with the exception of check no. 6262, which was voided. Director Berenger seconded said motion, which carried unanimously.

ACCEPTANCE OF QUALIFICATION STATEMENTS, AFFIDAVITS OF CURRENT DIRECTOR, ELECTIONS NOT TO DISCLOSE CERTAIN INFORMATION, BONDS, AND OATHS OF OFFICE

The Board next considered the acceptance of Qualification Statements, Elections Not to Disclose Certain Information, Bonds, and Oaths of Office for Greg Thomas and Michael Zanella, including the acceptance of Affidavits of Current Director. In that regard, Mr. Thomas and Mr. Zanella presented their Statements of Elected Officer, Oaths of Office, Official Bonds, Elections Not to Disclose Certain Information, and Affidavits of Current Director. After discussion on the matter, it was moved by Director Ricke, seconded by Director Berenger and unanimously carried that the Board approve said Bonds, accept said Statements of Elected Officers, Elections Not to Disclose Certain Information, Oaths, and Affidavits of Current Director and declare Greg Thomas and Michael Zanella to be duly elected and qualified Directors of the District.

Directors Thomas and Zanella participated in the remainder of the meeting.

ELECTION OF OFFICERS

The Board next considered re-organization of the officers of the Board of Directors. Nominations were called for the offices of President, Secretary, and Assistant Secretary. After discussion, Director Berenger was nominated as President, Director Ricke was nominated as Secretary, and Directors Thomas and Zanella were nominated as Assistant Secretaries. A vote was called, and upon motion duly made by Director Ricke, seconded by Director Berenger and unanimously carried, Director Berenger was duly elected President of the Board and District, Director Ricke was duly elected as Secretary of the Board and District, and Directors Thomas and Zanella were duly elected as Assistant Secretaries of the Board and the District.

DISTRICT REGISTRATION FORM

The Board next considered approving a District Registration Form required by the Texas Commission on Environmental Quality ("TCEQ"). Ms. Kelly explained that, in accordance with the Texas Water Code, municipal utility districts are required to file names, mailing addresses, officer positions and terms of new directors with the TCEQ within thirty (30) days after an election or appointment. She advised that, with the Board's approval, SPH will complete the District Registration Form to include the directors new terms of office and will file the form with the TCEQ. After further discussion of the matter, Director Ricke moved that the Board authorize SPH

to complete the District Registration Form as discussed and file same with the TCEQ. Director Berenger seconded said motion, which unanimously carried.

LOCAL GOVERNMENT OFFICERS LIST

Ms. Kelly next advised the Board that the District is required to maintain a list of Local Government Officers, which includes the members of the Board and the District's Investment Officers in connection with conflict of interest disclosure requirements. After discussion on the matter, Director Ricke moved that SPH be authorized to update the District's list of local government officers as required by law. Director Berenger seconded said motion, which unanimously carried.

TRAINING REQUIREMENTS

Ms. Kelly advised Directors Thomas and Zanella of the training requirements for public officials. She advised that public officials, including directors of a municipal utility district, must complete separate training courses regarding the Texas Open Meetings Act and the Texas Public Information Act. Ms. Kelly presented Directors Thomas and Zanella with Memorandums prepared by SPH which summarize the training requirements, copies of which are attached hereto as **Exhibit B**. She advised Directors Thomas and Zanella that the deadline to complete their training is ninety (90) days from today. Ms. Kelly further advised that it is the responsibilities of Directors Thomas and Zanella to ensure they complete the trainings by the appropriate deadline, and to provide evidence of same to SPH for the District's records.

CONFLICTS DISCLOSURE STATEMENT REPORTING REQUIREMENTS

Ms. Kelly next discussed with the Board the conflicts disclosure statement reporting requirements for officers of certain local governmental entities, including water district directors, pursuant to Chapter 176 of the Local Government Code. She presented Directors Thomas and Zanella with Memorandums prepared by SPH which summarize the conflicts disclosure requirements, and questionnaires for completion by Directors Thomas and Zanella regarding conflict of interest disclosure reporting.

UNCLAIMED PROPERTY REPORT(S)

The Board considered the approval of Unclaimed Property Reports (collectively, the "Reports") as of March 1, 2026, and authorization for MA&C and/or Leared to file the Reports with the State Comptroller prior to July 1, 2026. After discussion on the matter, Director Berenger moved that MA&C and/or Leared be authorized to prepare and file the Reports with the State Comptroller prior to July 1, 2026. Director Zanella seconded said motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Scott introduced Ms. Goin to the Board and presented the Tax Assessor-Collector Report for the month of April 2026, a copy of which is attached hereto as **Exhibit C**. 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 Braband 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.

ENGINEERING REPORT

Ms. Helvey presented and reviewed with the Board a written Engineering Report dated April 8, 2026, a copy of which is attached hereto as **Exhibit D**. She addressed the Board regarding proposed electrical system improvements at Water Plant No. 1. Following discussion, Director Ricke moved that LJA be authorized to solicit bids to replace the main breaker and install well grounding at the facility. Director Berenger seconded the motion, which unanimously carried.

Ms. Crotwell addressed the Board at this time and presented and reviewed a General Financial Analysis, a copy of which is attached hereto as **Exhibit E**. No action was taken by the Board at this time.

Mr. Nicholson and Director Braband exited the meeting at this time.

In connection with the proposed sidewalk improvement project along Woodtrace Circle (the "Project"), Ms. Helvey advised that four (4) bids were received, and that the low bid was submitted by A Group Construction, LLC ("A Group") in the amount of \$36,081.05. Following discussion, Director Ricke moved that the contract for the Project be awarded to A Group, as recommended by LJA. Director Berenger seconded the motion, which unanimously carried.

Ms. Helvey next provided the Board with an update regarding the Coe and Wright Roads Waterline Extensions by ISJ. In that regard, she advised that the District is in receipt of Pay Estimate No. 5 and Final in the amount of \$71,308.99. Following discussion, Director Ricke moved that the approve payment of Pay Estimate No. 5 and Final to ISJ. Director Berenger seconded the motion, which unanimously carried.

Mr. Chomer exited the meeting at this time.

ADOPTION OF POLICY CONCERNING REQUESTS FOR MAINTENANCE OF TREES AND/OR VEGETATION

The Board next considered the adoption of a policy concerning requests for maintenance of trees and/or vegetation located on District property. Following discussion, the Board concurred to defer taking action at this time.

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 April 2026 with regard to mowing and maintenance of District drainage and detention areas, a copy of which Report is attached hereto as **Exhibit F**. He advised that there are eleven dead trees along the west side of Wright Road, and seventeen dead trees along the east side of Wright Road. Following discussion, Director Braband moved that WDM be authorized to coordinate with Director Ricke to remove the dead trees at a cost not to exceed \$5,000. Director Berenger seconded the motion, which unanimously carried.

A discussion ensued regarding a vehicle that is currently parked in the District's detention basin and damages to the turf caused by the vehicle. Following discussion, the Board requested that EA provide a proposal to install bollards along the basin to prevent vehicular access.

OPERATION AND MAINTENANCE REPORT

Mr. Rowe presented and reviewed the Operation and Maintenance Report for the month of March 2026, a copy of which is attached hereto as **Exhibit G**. He advised that the generator located at Water Plant No. 1 is in need of being repaired a cost of \$16,631.59. Following discussion, Director Ricke moved that the Board approve repair of the generator, as discussed. Director Berenger seconded the motion, which unanimously carried.

The Board next considered the approval of the 2025 Water Loss Audit (the "Audit"). In connection therewith, Mr. Rowe noted that the Audit will be filed with the Texas Water Development Board ("TWDB") by the May 1, 2026 deadline. After discussion, Director Ricke moved that the Board approve said Annual Water Loss Audit and authorize WDM to file same with the TWDB prior to the deadline. Director Berenger seconded the motion, which carried unanimously.

Mr. Rowe advised that there is one (1) delinquent account totaling \$79.51, 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 Ricke 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 Berenger seconded said motion, which unanimously carried.

The Board next considered approval of a Consumer Confidence Report ("CCR"). In that regard, Mr. Rowe presented a draft of the District's CCR. After discussion on the matter, Director Ricke moved that such CCR be approved by the Board, subject to SPH final review and approval, and that WDM be authorized to distribute same to the District's customers prior to the deadline.

Director Berenger seconded said motion, which carried unanimously.

HOMEOWNER ASSOCIATION MATTERS

The Board next considered homeowner association matters. No action was taken by the Board at this time.

CYBERSECURITY

The Board next considered recent changes to cybersecurity and artificial intelligence training requirements for directors of the District. Ms. Kelly then presented a memorandum from SPH regarding changes to such training requirements, a copy of which is attached hereto as **Exhibit H**, and discussed same with the Board. Ms. Kelly advised that all directors of the District must annually complete a certified cybersecurity awareness training program prior to August 31 of the given year as required by Ch. 2063, Texas Gov't Code. She further advised that any director of the District who uses a computer to perform at least 25% of his or her duties and has access to the District's computer system must also complete a certified artificial intelligence training program by August 31 of each year as required by Ch. 2054, Texas Gov't Code. Following discussion, Ms. Kelly noted that a link to the training program created by the Department of Information Resources will be provided to directors following the meeting and requested that each director notify SPH upon completion of the training program.

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 and reviewed interim arbitrage rebate calculation reports provided by Arbitrage Compliance Specialists, Inc. related to the District's Series 2017A and Series 2021 Unlimited Tax Bonds, copies of which are attached hereto as **Exhibit I**. She noted that no action is required by the Board at this time.

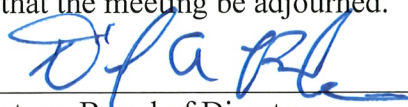
FUTURE AGENDA ITEMS

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 Ricke, 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
<u>Exhibit B</u>	Memorandums – Open Government Training Requirements
<u>Exhibit C</u>	Tax Assessor/Collector's Report
<u>Exhibit D</u>	Engineering Report
<u>Exhibit E</u>	General Financial Analysis
<u>Exhibit F</u>	Report – Environmental Allies
<u>Exhibit G</u>	Operations and Maintenance Report
<u>Exhibit H</u>	Memorandum - Cybersecurity
<u>Exhibit I</u>	Interim Arbitrage Rebate Calculation Reports provided by Arbitrage Compliance Specialists, Inc.