

**MINUTES OF THE MEETING  
OF THE  
BOARD OF DIRECTORS**

September 5, 2024

THE STATE OF TEXAS	§
	§
COUNTIES OF FORT BEND AND WALLER	§
	§
WILLOW POINT MUNICIPAL UTILITY	§
DISTRICT OF FORT BEND AND	§
WALLER COUNTIES	§

The Board of Directors (the “Board”) of Willow Point Municipal Utility District of Fort Bend and Waller Counties (the “District”), met in regular session, open to the public, on Thursday, September 5, 2024, at 12:00 p.m., at 1980 Post Oak Boulevard, Suite 1380, Houston, Texas, a designated meeting place outside the boundaries of the District, and via ZOOM audio/video conference. The roll was called of the members of the Board, to-wit:

Ryan B. Niles	-	President
Will Gutowsky	-	Vice President
David L. Salley	-	Secretary
Simon VanDyk	-	Assistant Secretary
Paul Breaux	-	Assistant Secretary

All members of the Board were present except Director Niles, thus constituting a quorum.

Also participating in the meeting were Mary Ann Mihills of Municipal Accounts & Consulting, L.P. (“MAC”), bookkeeper for the District; Lyndsay Evans, Kaci Schlacter and Marshall Green of Quiddity Engineering, LLC (“Quiddity”), engineer for the District; Spencer Day of Masterson Advisors, LLC (“Masterson”), financial advisors for the District; Lita Lemus of Utility Tax Service, LLC, tax assessor and collector for the District; Suzanne Villarreal of McCall Gibson Swedlund Barfoot PLLC (“MGSB”), auditors for the District; Ryan Mapes of SiEnvironmental (“SiEnviro”), operator for the District; Joseph Hopper of Storm Water Solutions (“SWS”); John O’Donnell of WaterLogic; Justin Waggoner of Touchstone District Services (“Touchstone”); Josh Wailes of Mike Stone Associates; Andrew Faubion of Terry’s Landscape, LLC; Aimee Ordineaux of Texas Pride Disposal; John Roughneen of Gael, Inc.; Jim

Moses, a resident of the District and member of the Anserra Homeowner’s Association (“Anserra HOA”); Murali Rajam and Dave Hall, residents of the District and members of the Trails of Katy Homeowner’s Association (“Trails of Katy HOA”); and Ryan E. LaRue and Alyssa Stanford (Legal Assistant) of Sanford Kuhl Hagan Kugle Parker Kahn LLP (“SK Law”), attorneys for the District.

The meeting was called to order at 12:00 p.m. Copies of the notices of the meeting are attached hereto.

**HEAR FROM PUBLIC**

The Board noted that there were no members of the public who wished to address the Board.

- APPROVE MINUTES OF MEETINGS HELD AUGUST 1, AND AUGUST 20, 2024**
- BOOKKEEPER’S REPORT**
- TAX ASSESSOR/COLLECTOR’S REPORT**
- WATERLOGIC REPORT**
- REPORT FROM TOUCHSTONE DISTRICT SERVICES**
- ADOPT RESOLUTION EVIDENCING REVIEW OF INVESTMENT POLICY AND INVESTMENT STRATEGIES**

Upon motion by Director Salley, seconded by Director Gutowsky, and after full discussion, the Board voted to:

- a. approve the Minutes of the meetings held August 1, and August 20, 2024 as submitted;
  - b. approve the Bookkeeper’s Report, including payment of the bills;
  - c. approve the Tax Assessor/Collector’s Report for the month of July, noting that approximately 98.46% of the 2023 taxes have been collected;
  - d. approve the report submitted by WaterLogic;
  - e. approve the report submitted by Touchstone; and
  - f. adopt the Resolution Evidencing Review of Investment Policy and Investment Strategies,
- noting that the Bookkeeper has provided an updated List of Qualified Brokers.

Upon motion by Director Salley, seconded by Director Salley, and after full discussion, the Board voted four (4) ayes to zero (0) nays to approve the Bookkeeper’s Report, including payment of the bills and approval of investment report.

Director VanDyk abstained from voting on payment of Check No. 3775 made payable to Touchstone.

Copies of the Bookkeeper's Report, the Tax Assessor/Collector's Report, the report submitted by WaterLogic, and the report submitted by Touchstone are attached hereto.

The Board recognized Mr. O'Donnell who submitted to and reviewed with the Board a proposal for purchase and installation of smart water management controllers and two-way communication devices in the amount of \$30,094.00.

The Board deferred action on this item pending results from Terry's analysis of the District's irrigation system.

At this time, Mr. O'Donnell left the meeting.

**HEAR REPORT FROM FINANCIAL ADVISOR**

Mr. Day reviewed with the Board a District Debt Profile, a copy of which is attached hereto. He also reviewed with the Board a tax rate recommendation based upon combined certified values from Fort Bend and Waller Counties of \$368,852,277.00, a copy of which is attached hereto. He noted that the Board levied a tax rate for 2023 of \$1.29 per \$100 assessed valuation, consisting of \$0.75 per \$100 of assessed valuation for debt service and \$0.54 per \$100 of assessed valuation for maintenance and operations. He recommended that the Board levy a total tax rate for 2024 of \$1.27 per \$100 assessed value, consisting of \$0.71 per \$100 assessed valuation for utility debt service, \$0.04 per \$100 assessed valuation for road debt service and \$0.52 per \$100 assessed value for maintenance and operations.

Mr. LaRue discussed with the Board Senate Bill 2, also known as the Texas Property Tax Reform and Transparency Act of 2019, which was passed by the Texas Legislature in 2019. After discussion, the Board determined that the District should be classified as a "Developing" District.

Upon motion by Director VanDyk, seconded by Director Breaux, and after full discussion, the Board voted unanimously to determine that the District should be classified as a "Developing" District.

Mr. LaRue reviewed with the Board the process for setting the tax rate, noting that the District must hold a public hearing for discussion of the proposed rate to be set and would then adopt the tax rate for

2024. The Board then discussed setting a meeting date for conducting the public hearing and setting the tax rate. The Board determined to schedule such meeting on Thursday, October 3, 2024, at 12:00 p.m. at 1330 Post Oak Boulevard, Suite 2650, Houston, Texas 777056 at which meeting the District would consider setting the tax rate for 2024.

Upon motion by Director VanDyk, seconded by Director Breaux, and after full discussion, the Board voted unanimously to authorize the Tax Assessor/Collector to publish a Notice of Public Hearing on Tax Rate, scheduled for October 3, 2024 at 12:00 p.m. at 1330 Post Oak Boulevard, Suite 2650, Houston, Texas 77056 and to publish a proposed total tax rate for 2024 of \$1.27 per \$100 of assessed value, along with a tax rate and levy analysis as required by Chapter 49 of the Texas Water Code.

#### **HEAR AUDITOR'S REPORT**

The Board recognized Ms. Villarreal, who reviewed with the Board a draft of the audit of the District's financial statements for the fiscal year ended May 31, 2024, and answered questions regarding the same.

Upon motion by Director Salley, seconded by Director Gutowsky, and after full discussion, the Board voted unanimously to approve such audit subject to finalization of the same, and to authorize filing of the same upon completion with the Texas Commission on Environmental Quality ("TCEQ") and in the office of the District as required by the Texas Water Code.

#### **HEAR REPORT FROM HOA**

Mr. Moses stated that he had nothing to report at this time.

Mr. Hall stated that Anserra HOA is ready to move forward with construction of a sand volleyball court, and requested that Quiddity review the plans for construction of the sand volleyball court to confirm that it will not impact District drainage and detention facilities. Ms. Evans stated that Quiddity will review the drainage plan for the sand volleyball court and provide a response.

Mr. Rajam stated that he had nothing to report at this time.

The Board noted that no action was required.

**HEAR DEVELOPER'S REPORT**

The Board noted that no report was submitted.

At this time, Mr. Day left the meeting.

**HEAR ENGINEER'S REPORT**

**Discuss swimming pool construction encroachment**

Mr. Moses stated that Anserra HOA has not discussed the damage to property in connection with installation of a resident's pool. Mr. Mapes noted that a swimming pool inspection will need to be conducted per the requirements set forth in the District's Rate Order. The Board requested that Quiddity and Storm Water Solutions assess the cost of the damage in connection with installation of the pool. Upon receipt of such cost estimate, the Board requested that SK Law draft and submit a letter to the resident regarding the same.

The Board recognized Ms. Evans, who reviewed with the Board the Engineer's Report, a copy of which is attached hereto. She updated the Board on the status of ongoing construction projects within the District as detailed in such Report.

Ms. Evans requested that the Board approve (1) Pay Estimate No. 1 in connection with construction of the Wastewater Treatment Plant Expansion in the amount of \$593,595.00, and (2) creation and administration of a Storm Water Management Plan in compliance with the Texas Pollutant Discharge Elimination System ("TPDES") General Permit.

Upon motion by Director Salley, seconded by Director Breaux, and after full discussion, the Board voted unanimously to approve (1) Pay Estimate No. 1 in connection with construction of the Wastewater Treatment Plant Expansion in the amount of \$593,595.00, and (2) creation and administration of a Storm Water Management Plan in compliance with the Texas Pollutant Discharge Elimination System ("TPDES") General Permit.

Ms. Evans then discussed with the Board potential plans to address the erosion in the Anserra Section 7 Detention Pond, as detailed in the Report. It was the consensus of the Board to defer action pending receipt of results from the geotechnical report for the site.

Upon motion by Director Salley, seconded by Director Breaux, and after full discussion, the Board voted unanimously to approve the Engineer's Report as submitted.

### **Landscape Report**

The Board recognized Mr. Faubion, who submitted proposals for various landscape improvements throughout the District. A copy of such proposals are attached hereto.

Upon motion by Director Gutowsky, seconded by Director Breaux, and after full discussion, the Board voted unanimously to approve the proposals from Terry's, as submitted.

At this time, Ms. Mihills and Ms. Lemus left the meeting.

### **ATTORNEY'S REPORT**

#### **Consider approval of Residential Solid Waste Collection Contract [Texas Pride Disposal]**

The Board recognized Ms. Ordineaux, who presented to and reviewed with the Board a Residential Solid Waste Collection Contract between Texas Pride Solutions, LLC and the District, a copy of which is attached hereto. Mr. LaRue noted that he still needed to review the proposed contract.

Upon motion by Director Breaux, seconded by Director Salley, and after full discussion, the Board voted unanimously to approve the Residential Solid Waste Collection Contract between Texas Pride Solutions, LLC and the District subject to review by the District's attorney.

At this time, Ms. Villarreal and Ms. Ordineaux left the meeting.

### **HEAR OPERATOR'S REPORT**

The Board recognized Mr. Mapes, who reviewed with the Board the Operator's Report, a copy of which is attached hereto, as well as the list of "High Water Users". He also reviewed with the Board the delinquent list, a copy of which is attached hereto.

Mr. Mapes then reviewed with the Board an Estimate of Repairs in connection with repair of a well motor in the amount of \$12,708.00, a copy of which is attached hereto.

Upon motion by Director Salley, seconded by Director VanDyk, and after full discussion, the Board voted unanimously to (1) authorize termination of service to the customers listed on the delinquent list, as the customers were neither participating in the meeting nor presented any written statement on the matter;

(2) approve the Operator's Report as submitted; and (3) approve repair of the well motor in the amount of \$12,708.00.

**HEAR REPORT FROM STORM WATER SOLUTIONS**

The Board recognized Mr. Hopper, who reviewed with the Board a report and pictures regarding drainage and detention facilities, a copy of which is attached hereto.

Mr. Hopper presented to and reviewed with the Board a proposal to remove storm-damaged trees from the wooded preserve in the amount of \$7,584.00, a copy of which is attached hereto. Upon motion by Director VanDyk, seconded by Director Breaux, and after full discussion, the Board voted unanimously to approve the proposal as submitted.

**HEAR ATTORNEY'S REPORT**

**Consider approval of Residential Solid Waste Collection Contract [Texas Pride Disposal]**

The Board noted that this item was discussed earlier in the meeting.

**Consider approval of Lease Agreement [Trails of Katy HOA]**

The Board deferred action on this item pending finalization of the Lease Agreement.

**Consider approval of Lease Agreement [Anserra HOA]**

The Board deferred action on this item pending finalization of the Lease Agreement.

**Discuss swimming pool construction encroachment**

The Board noted that this item was discussed earlier in the meeting.

The Board recognized Mr. LaRue, who stated that North Fort Bend Regional Water Authority submitted a letter notifying the District that there are no fee increases for 2024.

The Board noted that no action was required.

Mr. LaRue then reviewed with the Board an Arbitrage Rebate Calculation Report submitted by Arbitrage Compliance Specialists ("ACS") for the bonds issued by the District from 2015 to present, a copy of which is attached hereto. He stated that ACS found no rebatable arbitrage and recommended that the Board increase spending from their capital projects fund for improvements to the District's facilities.

Mr. LaRue then reviewed with the Board an engagement letter submitted by ACS for preparation of an Arbitrage Rebate Report for the Series 2019 Unlimited Tax Bonds and the Series 2020 Unlimited Tax Bonds in the amount of \$9,050.00. A copy of such letter is included in the Report.

Upon motion by Director Gutowsky, seconded by Director VanDyk, and after full discussion, the Board voted unanimously to approve the engagement letter from ACS as described.

**Discuss claim for payment from Gael, Inc. regarding contract for construction of Katy Townhomes**

**Lift Station**

The Board recognized Mr. Roughneen, who requested that the Board authorize reimbursement of Gael, Inc. in the amount of \$68,000.00 for labor and insurance extensions during a 6-month construction delay in connection with construction of the Katy Townhomes Lift Station. Mr. Roughneen stated that Gael, Inc. may pursue litigation if the requested amount is not paid.

**Closed Session**

It was the consensus of the Board to convene in closed session at 2:28 p.m. to discuss contemplated litigation.

**Open Session**

It was the consensus of the Board to reconvene in open session at 2:47 p.m.

THERE being no further business to come before the Board, the meeting was adjourned.

**[SIGNATURE PAGE FOLLOWS]**



PASSED, APPROVED AND ADOPTED this 7<sup>th</sup> day of November, 2024.



---

Secretary, Board of Directors

(SEAL)

