

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

October 3, 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, October 3, 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 Gutowsky, thus constituting a quorum.

Also participating in the meeting were Jim Grover of Ventana Development Katy, Ltd. (“Ventana”); Mary Ann Mihills of Municipal Accounts & Consulting, L.P. (“MAC”), bookkeeper for the District; Lyndsay Evans, Albert Lazcano, and Marshall Green of Quiddity Engineering, LLC (“Quiddity”), engineer for the District; Lita Lemus of Utility Tax Service, LLC, tax assessor and collector 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; Bear Oakley of Acclaim Energy (“Acclaim”); Jim Moses, a resident of the District and member of the Anserra Homeowner’s Association (“Anserra HOA”); Murali Rajam, a resident of the District and member of the

Trails of Katy Homeowner's Association ("Trails of Katy HOA"); and Ryan E. LaRue, Darsey Norton, and Alyssa Stanford (Legal Assistant) of Sanford Kuhl Hagan Kugle Parker Kahn LLP ("SK Law"), attorneys for the District.

John Roughneen of Gael, Inc.; Dave Hall, a resident of the District and member of the Trails of Katy Homeowner's Association ("Trails of Katy HOA"); and Cameron Alo of Sanford Kuhl Hagan Kugle Parker Kahn LLP ("SK Law"), attorneys for the District joined the meeting in progress.

The meeting was called to order at 12:02 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.

**CONDUCT PUBLIC HEARING ON PROPOSED TAX RATE**

The Board noted that notice of the public hearing on the proposed 2024 tax rate was published pursuant to Chapter 49, Texas Water Code, as required. The Board opened the public hearing at 12:03 p.m. Mr. LaRue noted that the Financial Advisor to the District had recommended a tax rate of \$1.27 per \$100 of assessed valuation, 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.

The Board noted that no members of the public were present to discuss the tax rate. The Board closed the public hearing at 12:04 p.m.

**ADOPT ORDER SETTING 2024 TAX RATE**

The Board then considered adoption of a proposed Order Setting 2024 Tax Rate.

Upon motion by Director VanDyk, seconded by Director Niles, and after full discussion, the Board voted unanimously to adopt the Order Setting 2024 Tax Rate, establishing a 2024 tax rate of \$1.27 per \$100 of assessed valuation, 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.

**APPROVE AMENDED NOTICE TO SELLERS AND PURCHASERS**

Mr. LaRue advised the Board that the Notice to Sellers and Purchasers would need to be revised to reflect the 2024 tax rate.

Upon motion by Director Salley, seconded by Director Niles, and after full discussion, the Board voted unanimously to approve the Amended Notice to Sellers and Purchasers and to authorize filing of the same in the Fort Bend County Real Property Records, the Waller County Real Property Records, and with the Texas Commission on Environmental Quality (“TCEQ”).

**HEAR UPDATE FROM ACCLAIM**

The Board recognized Mr. Oakley, who presented to the Board a report on the Utility Scale Microgrid Pilot Program, a copy of which is attached hereto. He stated that the next step will be to enter into a formal reliability agreement which has not yet been drafted if the Board is still interested in remaining in the Program.

It was the consensus of the Board to continue moving forward with the Utility Scale Microgrid Pilot Program.

At this time, Mr. Oakley left the meeting.

**APPROVE MINUTES OF MEETING HELD SEPTEMBER 5, 2024**

**BOOKKEEPER’S REPORT**

**TAX ASSESSOR/COLLECTOR’S REPORT**

**WATERLOGIC REPORT**

**REPORT FROM TOUCHSTONE DISTRICT SERVICES**

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

- a. defer approval of the minutes of the meeting held September 5, 2024 until the next meeting;
- b. approve the Bookkeeper’s Report, including payment of the bills;
- c. approve the Tax Assessor/Collector’s Report for the month of August, noting that approximately 99.05% of the 2023 taxes have been collected; and
- d. approve the report submitted by Touchstone;

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. 3829 made payable to Touchstone.

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

#### **PROPOSAL FOR WATER MANAGEMENT SERVICES [WATER LOGIC]**

The Board recognized Mr. O'Donnell who submitted to and reviewed with the Board a report from WaterLogic and a proposal for purchase and installation of smart water management controllers and two-way communication devices, copies of which are attached hereto.

The Board deferred action on this item pending a meeting with Director VanDyk, Director Breaux, and representatives from Terry's, WaterLogic, and MSA regarding irrigation.

At this time, Mr. Hall joined the meeting.

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

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

Mr. Rajam stated that Trails of Katy HOA will inform residents that Terry's is now responsible for the landscape maintenance and improvements in the areas formerly maintained by the Trails of Katy HOA.

Mr. Hall stated that Anserra HOA is ready to move forward with construction of a sand volleyball court, and that he will send the plans to Quiddity for review and confirmation that construction of the sand volleyball court will not impact District drainage and detention facilities.

The Board noted that no action was required.

At this time, Mr. Roughneen joined the meeting.

#### **HEAR DEVELOPER'S REPORT**

The Board recognized Mr. Grover, who updated the Board on development within the District. He stated that the purchase of the approximately 100-acre tract east of Cane Island Parkway is in the process

of being finalized for development of multi-family and single-family residences on such tract. He further stated that the property owner will be selling approximately 10 acres of the tract for commercial use.

The Board noted that no action was required.

At this time, Mr. Rajam and Mr. Hall left the meeting.

#### **HEAR ENGINEER'S REPORT**

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 (1) approve Pay Estimate No. 2 in connection with construction of the Wastewater Treatment Plant Expansion to 0.3 MGD in the amount of \$189,540.00, and (2) authorize Quiddity to begin the design of the generator addition at the remote water well.

Upon motion by Director VanDyk, seconded by Director Niles, and after full discussion, the Board voted unanimously to (1) approve Pay Estimate No. 2 in connection with construction of the Wastewater Treatment Plant Expansion to 0.3 MGD in the amount of \$189,540.00, and (2) authorize Quiddity to begin the design of the generator addition at the remote water well. By the same motion, the Board voted unanimously to approve the Engineer's Report as submitted.

#### **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.

Upon motion by Director Salley, seconded by Director Niles, and after full discussion, the Board voted unanimously to 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. By the same motion, the Board voted unanimously to approve the Operator's Report as submitted.

**HEAR REPORT FROM TERRY'S LANDSCAPE**

The Board recognized Mr. Faubion, who submitted a report on landscape maintenance and improvements throughout the District, a copy of which is attached hereto.

Mr. Faubion then submitted to and reviewed with the Board a proposal for various repairs in connection with irrigation throughout the District, a copy of which is attached hereto.

Upon motion by Director Gutowsky, seconded by Director Breaux, and after full discussion, the Board voted unanimously to approve the proposal from Terry's for irrigation repairs in an amount not to exceed \$17,800.00.

At this time, Ms. Lemus left the meeting.

**HEAR REPORT FROM MIKE STONE ASSOCIATES**

The Board recognized Mr. Wailes, who submitted to and reviewed with the Board a Park Maintenance Report, a copy of which is attached hereto.

The Board noted that no action was required.

**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.

The Board discussed the damage to property in connection with installation of a resident's pool. It was the consensus of the Board to request that SK Law draft and submit a letter to the resident stating that the resident can perform repairs of the area subject to final approval by Quiddity and Storm Water Solutions or the District can have the area repaired and bill the resident for the repair cost.

Mr. Hopper then updated the Board regarding the wooded preserve in Trails of Katy. He stated that 26 trees were removed from the wooded preserve. The Board requested that SK Law provide information on the permit for potential future use of the wooded preserve space.

Upon motion by Director Salley, seconded by Director Niles, and after full discussion, the Board approved the report from Storm Water Solutions, as submitted.

**HEAR ATTORNEY’S REPORT**

**Consider ratifying approval of engagement letter for arbitrage compliance services [Arbitrage Compliance Specialists]**

Mr. LaRue 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.

Upon motion by Director Niles, seconded by Director Breaux, and after full discussion, the Board voted unanimously to ratify approval of the engagement letter from ACS.

**Discuss swimming pool construction encroachment**

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

**Discuss Residential Solid Waste Collection Contract [Texas Pride Solutions, LLC]**

The Board recognized Ms. Norton, who stated that Texas Pride Solutions, LLC (“Texas Pride”) did not accept the request from SK Law to include a habitual violation clause in the Residential Solid Waste Collection Contract (the “Contract”) between Texas Pride and the District.

Upon motion by Director Salley, seconded by Director Breaux, and after full discussion, the Board voted unanimously to (i) authorize SKLaw to negotiate further with Texas Pride, (ii) approve the Contract subject to Texas Pride accepting inclusion of the habitual violation clause, and (iii) rescind approval of the Contract and authorize SKLaw to solicit bids for waste disposal services should Texas Pride again refuse inclusion of the habitual violation clause.

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

**Lift Station**

The Board recognized Mr. Lazcano, who reviewed with the Board the status of the dispute between lift station contract dispute between the District and Gael, Inc. Mr. Lazcano report on the status of the liquidated damages as defined in the contract for the construction of the Katy Townhomes Lift Station. He stated that the cost of liquidated damages for 303 days is approximately \$554,000.

Upon motion by Director VanDyk, seconded by Director Breaux, and after full discussion, the Board voted unanimously to offer to reimburse Gael, Inc. in the amount of \$32,717.23 in connection with their request for reimbursement for labor and insurance extensions during a 6-month construction delay during construction of the Katy Townhomes Lift Station.

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)

