

BAKER ROAD MUNICIPAL UTILITY DISTRICT  
Minutes of Meeting of Board of Directors  
September 23, 2024

The Board of Directors ("Board") of Baker Road Municipal Utility District ("District") met in regular session at the Board's regular meeting place on September 23, 2024, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted officers and members of said Board of Directors, as follows:

Frederick Wolfe, President  
George Heck, Vice President  
Johnny Zummo, Secretary  
Juan Campo, Assistant Secretary  
Ray Viator, Assistant Secretary

and all of said persons were present, except Directors Wolfe and Viator, thus constituting a quorum.

Also present were: Brenda Landin of H2O Innovation Operation and Maintenance, LLC ("H2O"); Autumn Clark of Wheeler & Associates, Inc. ("Wheeler"); Debra Loggins of L&S District Services, LLC ("L&S"); Todd Elston of R. G. Miller Engineers, Inc. ("R.G. Miller"); Debbie Shelton of Masterson Advisors ("Masterson"); and Justin Cox and Maranda Lawson of Schwartz, Page & Harding, L.L.P. ("SPH").

In the absence of the President, the Vice President called the meeting to order, and declared it open for such business as might regularly come before the Board.

**PUBLIC COMMENTS**

Mr. Cox noted that the first item of business was to open the meeting for public comments. There being no comments received from the public, the Board continued to the next item of business.

**APPROVAL OF MINUTES**

The Board reviewed the minutes of its meeting held on August 26, 2024. Director Campo noted a revision to said minutes. After discussion of the minutes presented, Director Heck moved that such minutes be approved, as revised. Director Zummo seconded said motion, which unanimously carried.

**FINANCIAL ADVISOR'S RECOMMENDATION FOR DISTRICT'S 2024 TAX RATE**

A discussion ensued concerning the requirements for notice of the District's intention to adopt a 2024 tax rate. Mr. Cox 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. Mr. Cox 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. He 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.

Ms. Shelton then presented the Board with a cash flow prepared by Masterson showing various options regarding the proposed 2024 maintenance tax rate, a copy of which is attached hereto as **Exhibit A**. After a lengthy discussion on the matter, Director Heck moved that (i) the Board publish notice of its intent to levy a maintenance tax rate of \$0.295, (ii) the District's tax assessor-collector be authorized to publish such notice of the District's intention to adopt a 2024 maintenance tax rate at its next meeting in the form and at the time required by law, and (iii) the notice be published by the tax assessor-collector in accordance with statutory requirements. Director Zummo seconded said motion, which carried unanimously.

### **BOOKKEEPER'S REPORT**

The Board considered the Bookkeeper's Report dated September 23, 2024. Ms. Loggins reviewed with the Board a Balance Sheet, Statement of Revenues, Expenditures and Changes in Fund Balances, General Ledger Detailed Report and Supporting Schedules, all as prepared by L&S and copies of which are attached hereto as **Exhibit B**. After discussion regarding the Bookkeeper's Report, financials, and payment of invoices, it was moved by Director Campo that said report be approved, and that the checks and invoices identified therein be approved for payment from the general operating fund. Director Zummo seconded said motion, which carried unanimously.

### **TAX ASSESSOR-COLLECTOR'S REPORT**

Ms. Clark presented the Tax Assessor-Collector's Report prepared by Wheeler for the month of August, 2024, including the checks presented for payment. A copy of the report is attached hereto as **Exhibit C**. After discussion, Director Zummo moved that the Tax Assessor-Collector's Report be approved, and that payment of the checks listed in the report be authorized from the District's tax account. Director Campo seconded the motion, which unanimously carried.

### **DELINQUENT TAX COLLECTION ATTORNEY'S REPORT**

Mr. Cox presented to and reviewed with the Board a Delinquent Tax Report, dated September 16, 2024, prepared by Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue"), the District's delinquent tax collection attorneys, a copy of which is attached hereto as **Exhibit D**.

Mr. Cox then advised the Board that Perdue is requesting authorization to have the District's operator tag the property located at 18923 Windsor Crest Dr. for non-payment of delinquent taxes, and, if the property owner does not respond or pay said delinquent taxes within the time frame provided in the District's Rate Order and specified on the door tag, to terminate water service accordingly. The Board inquired as to whether the property owner is current on their water bill. Ms. Landin informed the Board that the property owner is current on their water bill. After discussion on the matter, Director Zummo moved that H2O be authorized to proceed with service termination procedures for said residence for non-payment of property taxes due to the District upon confirmation that such residence and account meets all requirements for termination

of service for non-payment of property taxes pursuant to the District's Rate Order. Director Campo seconded the motion, which passed unanimously.

### **OPERATOR'S REPORT**

The Board considered the operator's report. Ms. Landin presented a written Operations Report dated September 23, 2024, prepared by H2O, a copy of which is attached hereto as **Exhibit E**. After discussion, Ms. Landin noted that no action from the Board is required at this time.

### **ENGINEER'S REPORT**

The Board next considered the Engineer's report. Mr. Elston provided a brief oral update regarding the status of the various joint projects with Green Trails Municipal Utility District and Harris County Municipal Utility District No. 345. Mr. Elston noted that no action from the Board is required at this time.

### **DRAINAGE CHANNEL MAINTENANCE**

It was noted that there was nothing new to report relative to the maintenance of the drainage channel.

### **LAKE MAINTENANCE**

Director Zummo informed the Board that the water color of the lakes is in poor quality and noted that he reached out to Lake Pro regarding same.

### **STATUS OF LAWSUIT AGAINST U.S. ARMY CORPS OF ENGINEER**

Mr. Cox reminded the Board that the trial court's ruling has been appealed and that a decision from the appellate court is expected to be issued in 2024. Director Zummo noted that he was recently in receipt of email correspondence stating that the appeal is scheduled for early November.

### **ISSUANCE OF UTILITY COMMITMENTS**

The Board next deferred action regarding the issuance of utility commitments, as no requests for same had been received by the District.

### **ATTORNEY'S REPORT**

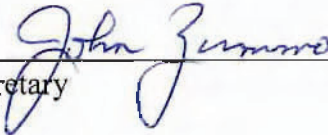
A discussion next ensued regarding certain delinquent fees in connection with the Texas Commission on Environmental Quality's annual regulatory assessment and water system fees. Mr. Cox explained that lost mail from the TCEQ had recently been received by SPH and that, as a sign of good faith, SPH would be crediting the delinquent fees related to same to the District. Mr. Cox further explained that, to prevent this from occurring in the future, SPH has reached out to the TCEQ to notify it that all future bills should be directed to the District's current bookkeeper.

### **FUTURE AGENDA ITEMS**

The Board requested that an item regarding the Operations Advisory Committee with Harris County Municipal Utility District No. 345 and Longhorn Town Utility District be added to the next agenda.

### **ADJOURNMENT**

There being no further business to come before the Board, upon motion made by Director Zummo, seconded by Director Heck, and unanimously carried, the meeting was adjourned.

  
Secretary



## LIST OF ATTACHMENTS TO MINUTES

- Exhibit A – 2024 Tax Rate Recommendation
- Exhibit B – Bookkeeper's Report
- Exhibit C – Tax Assessor-Collector's Report
- Exhibit D – Delinquent Tax Report
- Exhibit E – Operator's Report