

BAKER ROAD MUNICIPAL UTILITY DISTRICT
Minutes of Meeting of Board of Directors
October 28, 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 October 28, 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, 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"); Brittany Neel of Stuckey's LLC ("Stuckey's"); and Eric Lai and Maranda Lawson 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 the Board.

PUBLIC COMMENTS

Mr. Lai 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 September 23, 2024. After discussion of the minutes presented, Director Wolfe moved that such minutes be approved, as written. Director Heck seconded said motion, which unanimously carried.

PUBLIC HEARING REGARDING PROPOSED TAX RATE

Mr. Lai advised the Board that the Water Code requires that the District publish or mail notice of each meeting of the Board at which the adoption of a tax rate will be considered. Ms. Clark confirmed that the applicable notice had been published in accordance with all legal requirements. The Board next conducted a public hearing regarding the adoption of the District's proposed 2024 tax rate. After noting that no members of the general public were present at the meeting, the public hearing was closed.

LEVY OF THE DISTRICT'S 2024 TAX RATE

The Board next discussed the levy of the District's 2024 tax rate. Ms. Clark confirmed again that the notice regarding the Board's intention to adopt the District's 2024 tax rate had been published in accordance with all legal requirements and as directed by the Board at its previous meeting. After discussion, Director Heck moved that (i) the Board adopt the tax rate as proposed at the District's September 23, 2024, meeting and as reflected in the notice; (ii) the Board levy a 2024 maintenance tax rate of \$0.295 per \$100 of valuation, resulting in a 2024 total tax rate of \$0.295 per \$100 of valuation; and (iii) the Order Levying Taxes attached hereto as **Exhibit A** be adopted in connection therewith, and the President be authorized to execute and the Secretary to attest same on behalf of the Board and the District. Director Campo seconded the motion, which carried unanimously.

AMENDMENT TO THE SECOND AMENDED AND RESTATED DISTRICT INFORMATION FORM

Mr. Lai next presented to and reviewed with the Board an Amendment to the Second Amended and Restated District Information Form relative to the District's 2024 tax rate. After discussion regarding said form, Director Heck moved that the Amendment to the Second Amended and Restated District Information Form be approved and that the Board members present be authorized to execute same on behalf of the Board and the District. Director Campo seconded said motion, which carried unanimously.

BOOKKEEPER'S REPORT

The Board considered the Bookkeeper's Report dated October 28, 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 Zummo that said report be approved, and that the checks and invoices identified therein be approved for payment from the general operating fund. Director Campo seconded said motion, which carried unanimously.

COMPLIANCE BY DISTRICT WITH TEXAS GOVERNMENT CODE, CHAPTER 2265 RELATIVE TO ENERGY REPORTING REQUIREMENTS

The Board next deferred consideration of the status of compliance by the District with Texas Government Code, Chapter 2265, relative to energy reporting requirements at this time after noting that no report had yet been received.

ANNUAL REVIEW OF ORDER ESTABLISHING POLICY FOR INVESTMENT OF DISTRICT FUNDS AND APPOINTING INVESTMENT OFFICER

The Board considered the annual review of its Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Investment Policy"), and the adoption of a Resolution in connection therewith. Mr. Lai presented for the Board's adoption a Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Resolution"), a copy of which is attached hereto as **Exhibit C**. He advised

that there were no recommended changes to the Investment Policy at this time. After discussion on the matter, Director Wolfe moved that the Investment Policy be affirmed, that the Resolution attached hereto be adopted, and that the President and Secretary be authorized to execute same. Director Campo seconded said motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Clark presented the Tax Assessor-Collector's Report prepared by Wheeler for the month of September 2024, including the checks presented for payment. A copy of the report is attached hereto as **Exhibit D**. After discussion, Director Heck 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

The Board deferred consideration of a report and any legal action taken by the District's delinquent tax collections attorneys after noting that no report had been received this month.

OPERATOR'S REPORT

The Board considered the operator's report. Ms. Landin presented a written Operations Report dated October 28, 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.

Ms. Landin next presented to and reviewed with the Board correspondence received from a District resident who resides on Villa Bergamo Ln., requesting an adjustment to the sewer portion of their water bill. Ms. Landin informed the Board that the resident had an irrigation leak that has since been repaired, and the customer is requesting a credit to said water bill for the excess usage caused by the irrigation leak. Ms. Landin advised that a credit for the sanitary sewer portion of the bill attributable to the excess water from the leak would be approximately \$248.00. After discussion on the matter, Director Zummo moved that the Board grant the appeal and that H2O be authorized to credit \$248.00 back to the customer's account. Director Viator seconded the motion, which carried unanimously.

A discussion next ensued regarding the on-going installation of fiberoptic lines by EZ Fiber in the Windsor Park Lakes Subdivision. Ms. Landin noted that no requests for marking of service lines has been received by H2O to date. It was noted that EZ Fiber has hit several service lines but that they have made the necessary repairs when requested.

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 ("No. 345"). In connection therewith, Mr. Elston informed the Board that the installation of the emergency generator for the Joint Wastewater Treatment Plant with No. 345 has been completed and noted that the generator is now operational

Mr. Lai next updated the Board regarding the status of construction of Water Well No. 3 at the Green Trails Municipal Utility District ("GTMUD") Water Plant (the "Project"). In connection therewith, Mr. Lai informed the Board that GTMUD deferred approving a Summary of Costs and an Order Authorizing Application to the Texas Commission on Environmental Quality for Approval of Project and Bonds for the Project at its last meeting. Mr. Lai noted that the estimated bond issue amount that GTMUD will issue for the Project is approximately \$2,300,000 but is subject to change. A discussion then ensued regarding the various options available to the District to pay the District's pro-rata share of the Project. No action was taken by the Board at this time.

OPERATIONS ADVISORY COMMITTEE

Director Campo next updated the Board regarding the Operations Advisory Committee (the "Committee") meeting pursuant to the Waste Disposal Agreement with No. 345 and Longhorn Town Utility District. In connection therewith, Director Campo informed the Board that the Committee recently had an introductory meeting via Teams and noted that the Committee has scheduled an in-person meeting for November 21, 2024. A discussion then ensued regarding same.

DRAINAGE CHANNEL MAINTENANCE

Ms. Neel presented to and reviewed with the Board a 2nd Bi-Annual Drainage Channel Maintenance Report dated October 28, 2024 prepared by Stuckey's, a copy of which is attached hereto as **Exhibit F**.

In connection therewith, Ms. Neel next presented to and reviewed with the Board a proposal from Stuckey's in the amount of \$18,626.90 for the replacement of corrugated metal pipe around an outfall structure on the drainage channel, a copy of which proposal is included with **Exhibit F**. After discussion, the Board deferred taking any action at this time.

LAKE MAINTENANCE

Director Wolfe informed the Board that the water level of the lakes is currently down approximately 14-inches. A discussion then ensued as to when the appropriate time would be to turn on the water well to fill up the lakes. No action was taken by the Board at this time.

Director Wolfe next informed the Board that there is a leak in the waterfall located on the island and noted that said leak is being fixed at this time.

Director Zummo next advised the Board that Lake Pro, Inc. will be adding Golden Shiners to the lakes in mid-November 2024.

Director Wolfe next discussed with the Board the Windsor Park Lakes Homeowners Association's fishing policy and inquired whether the District has a fishing policy in place or if the District needs to adopt one. After discussion, the Board concurred that it was not necessary for the District to adopt a fishing policy at this time.

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

Mr. Lai updated the Board on the appellate court's status conference and noted that there are several issues to be resolved before the trial court can proceed, including the appellate court's decision on both liability and damages. Mr. Lai noted that an oral hearing is scheduled for November 8, 2024 and that further updates would follow, but a decision is not expected to be made at said hearing.

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.

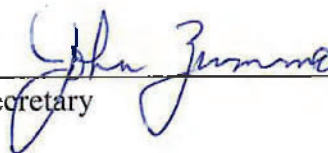
ATTORNEY'S REPORT

The Board next discussed holding a potential townhall meeting in 2025 to inform residents of the need for a prospective 2025 Bond Issue. No action was taken by the Board at this time.

ADJOURNMENT

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




Secretary

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A – Order Levying Taxes
- Exhibit B – Bookkeeper's Report
- Exhibit C – Resolution Regarding Review of Investment Policy
- Exhibit D – Tax Assessor-Collector's Report
- Exhibit E – Operator's Report
- Exhibit F – 2nd Bi-Annual Drainage Channel Maintenance Report