

MINUTES
CHELFORD ONE MUNICIPAL UTILITY DISTRICT
OF HARRIS COUNTY, TEXAS

January 20, 2022

The Board of Directors (the "Board") of Chelford One Municipal Utility District of Harris County, Texas (the "District") met in regular session, open to the public, on the 20th day of January, 2022, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas outside the boundaries of the District, and the roll was called of the members of the Board:

Michael A. Martin	President
Nicholas H. Alwine	Vice President
Dr. Winetta Billings	Secretary
Connie Fowler	Assistant Vice President
Eston G. Hupp	Assistant Secretary

and all of the above were present, except Director Fowler, thus constituting a quorum.

Also present at the meeting were: Spencer Day of Masterson Advisors, LLC; Brenda McLaughlin of Bob Leared Interests, Inc.; Carlous Smith of Si Environmental, LLC ("Si Enviro"); Taylor Reed of Vogler & Spencer Engineering Inc.; Mary Ann Mihills of Municipal Accounts & Consulting, L.P.; and Sandra Staine and Rachel Wooten of Allen Boone Humphries Robinson LLP.

Attending via teleconference were: Andrew Dunn and Matt Dunn of On-Site Protection LLC ("On-Site Protection").

PUBLIC COMMENTS

Director Martin offered any members of the public attending the meeting in-person or by telephone the opportunity to make public comment. There being no members of the public requesting to make public comment, Director Martin moved to the next agenda item.

MINUTES

The Board considered approving the minutes of the December 20, 2021, regular meeting, and the December 13, 2021, special meetings. After review and discussion, Director Billings moved to approve the minutes of the December 20, 2021, regular meeting and the December 13, 2021, special meeting, as presented. Director Alwine seconded the motion, which was approved by unanimous vote.

UPDATE ON DISTRICT LOGO, AND TAKE APPROPRIATE ACTION

The Board reviewed four revised logo options designed by Off Cinco for the District, a copy of which is attached. After discussion, the Board concurred to select logo no. 10 as the official logo of the District.

DISTRICT SECURITY MATTERS

Mr. Matt Dunn reviewed the District's monthly security report, a copy of which is attached. Mr. Matt Dunn responded to Board members' questions, comments, and requests regarding security matters.

Mr. Matt Dunn gave an update on the increased security at the District's water plant and recommended the installation of additional security cameras at the plant. He presented a proposal in the amount of \$14,897.04 for the installation of four cameras, including the cost of labor and materials. Following review and discussion, Director Alwine moved to approve the proposal in the amount of \$14,897.04. The motion was seconded by Director Hupp, which was approved by unanimous vote.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. McLaughlin presented the District's monthly tax assessor/collector's report, including the checks presented for payment and a list of delinquent taxpayers. A copy of the tax assessor/collector's report is attached. She stated that as of December 31, 2021, 98.70% of the District's 2020 taxes were collected, and 67.2% of the District's 2021 taxes were collected.

Following review and discussion, Director Billings moved to approve the tax assessor/collector's report and authorize payment of checks drawn on the District's tax account. The motion was seconded by Director Hupp, which was approved by unanimous vote.

OPERATIONS REPORT

Mr. Smith presented the District's monthly operations report, including operation charges and copies of the connection report, daily production report, accountability report, customer billing report, and the discharge monitoring report for the sewer plant. A copy of the operations report is attached. Mr. Smith reported that the water accountability for the month was 97.91% and discussed repairs performed for the Mission Bend Integrated Water System ("MBIWS").

Mr. Smith reviewed repairs and maintenance performed for the District's water distribution, sanitary sewer collection, and water plant facilities during the month, including tap line repairs and the jetting of a sanitary main line located at 6710 Leandra Drive. Mr. Smith responded to Board members' questions regarding repairs made to the water distribution, sanitary sewer collection, and water plant facilities.

Mr. Smith reported on a request from a District resident to refund the resident's account overpayment credit.

The Board discussed including language on water bills to clarify the West Harris County Regional Water Authority Fees.

The Board discussed the termination list.

After review and discussion, Director Hupp moved to: (1) approve the operations report; and (2) authorize Si Enviro to refund the District resident's account over payment credit, as discussed. Director Alwine seconded the motion, which was approved by unanimous vote.

HEARING ON TERMINATION OF UTILITY SERVICE

The Board conducted a hearing on termination of utility service. Mr. Smith informed the Board that the customers included on the termination list were delinquent in payment of their water and sewer bills and were given written notification in accordance with the District's Rate Order prior to this meeting of the opportunity to appear before the Board to explain, contest, or correct their utility service bill and to show reason for nonpayment. After review and discussion, Director Hupp moved to terminate utility service to all customers included on the termination list in accordance with the District's Rate Order if their utility bills are not paid because said customers were neither present at the meeting nor had presented any written statement on the matter, and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Alwine seconded the motion, which was approved by unanimous vote.

ENGINEER'S REPORT

Mr. Reed discussed landscaping at the District's Water Plant.

Mr. Reed presented and reviewed the engineer's report, a copy of which is attached.

Mr. Reed updated the Board regarding construction of the Water Well No. 2, and reviewed and recommended approval of Pay Estimate No. 14 and Final in the amount of \$103,442.78, payable to Wesinger, Inc. He also presented a Certificate of Completion and Acceptance and recommended the Board accept the facilities.

Mr. Reed gave an update on the convenience store located at 15030 Bellaire Boulevard.

Mr. Reed reported that VSE has completed the Emergency Response Plan and certified its completion to the Environmental Protection Agency, as previously authorized.

Mr. Reed updated the Board on the washroom at Water Well No. 2.

Mr. Reed updated the Board on the design of the LED lighting upgrade at the Water Plant.

Mr. Reed reported that VSE has contacted Harris County (the "County") and the local Precinct regarding the exposed wires located at the County's right-of-way near the District water plant. He noted the County has not responded.

Mr. Reed discussed the sanitary line coming from the Hawthorne Apartments. He noted Si Enviro has been routinely inspecting the sewer line and flushing as warranted.

After review and discussion, Director Billings moved to: (1) approve the engineer's report; and (2) based on the engineer's recommendation, approve Pay Estimate No. 14 and Final in the amount of \$103,442.78, and accept the facilities. Director Hupp seconded the motion, which was approved by unanimous vote.

SERIES 2022 UNLIMITED TAX BONDS

Ms. Staine discussed the sale of the District's \$5,770,000 Unlimited Tax Bonds, Series 2022 (the "2022 Bonds").

Mr. Day reported on the results of the sale of District's 2022 Bonds and reported that the Bonds will be insured by Assured Guaranty Mutual and received an investment grade rating from Standard & Poor's Financial Services, LLC. He then distributed and reviewed a bid summary reflecting the bids received for the 2022 Bonds, a copy of which is attached. Mr. Day recommended that the Board accept the bid received from UMB Bank, N.A. ("UMB") with the lowest net effective interest rate of 2.562974%.

After review and discussion, Director Alwine moved to award the sale of the 2022 Bonds to UMB, whose bid contained the lowest net effective interest rate. Director Hupp seconded the motion, which passed unanimously.

Ms. Staine presented and reviewed the Resolution Authorizing the Issuance of Chelford One Municipal Utility District of Harris County, Texas Unlimited Tax Bonds, Series 2022 (the "Bond Resolution"), and explained that the document sets forth, among other items, the terms and provisions of issuance and delivery of the 2022 Bonds, the payment of principal and interest over the life of the 2022 Bonds, and certain District covenants regarding the 2022 Bonds.

Ms. Staine then presented and reviewed for approval the Paying Agent/Registrar Agreement with Bank of New York Mellon Trust Company, N.A. ("BONY").

Ms. Staine reported that the District's financial advisor will update the Preliminary Official Statement to include information regarding the sale of the 2022 Bonds, including the purchaser, interest rates, and debt service requirements, and that such document will be used as the Official Statement for the 2022 Bonds.

Ms. Staine presented and reviewed with the Board a Certificate Regarding Provision of Financial Advice (the "Certificate") for the 2022 Bonds.

Ms. Staine noted it will be necessary for the President or Vice President, and the Secretary or Assistant Secretary, of the Board to sign documents relating to the sale and closing of the 2022 Bonds, and for the attorney to submit a transcript of the bond proceedings to the Attorney General of Texas. She added the financial advisor also will need to take necessary action in connection with the delivery of the 2022 Bonds to the purchaser.

The Board considered authorizing ABHR to make payment to the Attorney General of Texas, on behalf of the District, in the amount of \$5,770 for review of the transcript for the 2022 Bonds.

Ms. Staine stated the Texas Water Code requires the District to file an Amendment to the Information Form with Harris County and the Texas Commission on Environmental Quality ("TCEQ") in order to reflect the bonds issued by the District. She then reviewed the Amendment to the Information Form with the Board.

After review and discussion, Director Billings moved to take the following actions: (1) adopt the Resolution; (2) approve the Paying Agent/Registrar Agreement with BONY; (3) approve the Official Statement for the 2022 Bonds; (4) authorize execution of the Certificate; (5) authorize the Board of Directors to sign the documents relating to the bond sale; (6) authorize the attorney and financial advisor to take all necessary action to deliver the 2022 Bonds to the purchaser; (7) authorize execution of the Amendment to Information Form; (8) approve the payment to the Attorney General of Texas for review of the transcript for the 2022 Bonds; and (9) direct all documents be filed appropriately and retained in the District's official records. Director Alwine seconded the motion, which passed unanimously.

MISSION BEND INTEGRATED WATER SYSTEM ("MBIWS") MATTERS

Mr. Reed updated the Board on MBIWS matters.

CHELFORD CITY REGIONAL WASTEWATER TREATMENT PLANT ("WWTP") MATTERS

Mr. Reed updated the Board on Chelford City Regional WWTP matters.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY (“WHCRWA”)
MATTERS

The Board discussed WHCRWA matters. Mr. Reed reported there is a possibility that the District will start receiving surface water from the WHCRWA in the fourth quarter of 2025.

Mr. Smith requested authorization for Si Enviro to submit the WHCRWA 2021 Water Usage Form. Following review and discussion, Director Alwine moved to authorize completion and submittal of the 2021 Water Usage Reporting Form to the WHCRWA. Director Hupp seconded the motion, which passed unanimously.

Ms. Staine presented and reviewed with the Board correspondence from the WHCRWA regarding the 2022 Appointment Process for WHCRWA Directors. After review and discussion, Director Alwine moved to adopt a Resolution Nominating Candidate to Serve as Director of the Board of Directors of the WHCRWA Director Precinct No. 1, nominating Larry Weppler as a candidate to serve as the director for Precinct No. 1. Director Hupp seconded the motion, which passed unanimously.

MISSION BEND GREENBELT ASSOCIATION MATTERS

The Board discussed Mission Bend Greenbelt Association matters.

GREATER MISSION BEND AREA COUNCIL

There was no discussion on Greater Mission Bend Area Council matters.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE

Ms. Staine reported on the District’s compliance activities during the prior calendar year related to the District’s outstanding bond issues. She stated that no corrective action is required at this time.

ACCEPT ANNUAL DISCLOSURE STATEMENTS FOR INVESTMENT OFFICER AND BOOKKEEPER

The Board considered accepting the annual disclosure statement of the District’s bookkeeper and Investment Officer. Ms. Staine explained that the annual disclosure statement is intended to disclose relationships of the District’s bookkeeper and Investment Officer with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District. After review and discussion, Director Hupp moved to accept the annual disclosure statement of the bookkeeper and Investment Officer and direct that the statement be filed with the Texas Ethics Commission and retained in the District’s official records. Director Billings seconded the motion, which passed unanimously.

BOOKKEEPER'S REPORT

Ms. Mihills presented the bookkeeper's report, including a quarterly investment report, and invoices presented for payment. A copy of the bookkeeper's report is attached. Ms. Mihills also requested approval of a check in the amount of \$7,448.52 to On-Site for the deposit for the Water Plant cameras. After review and discussion, Director Billings moved to approve the bookkeeper's report and quarterly investment report, including payment of the invoices as presented and discussed. Director Alwine seconded the motion, which was approved unanimously.

DISCUSS COMMUNITY MUD EDUCATION EVENT AND TAKE APPROPRIATE ACTION

The Board discussed budget and planning matters relating to the Community MUD education event.

2022 DIRECTORS ELECTION

Ms. Staine discussed procedures related to the 2022 Directors Election. She reviewed with the Board a Resolution Designating an Agent of the Secretary of the Board of Directors during the 2022 Directors Election Period. Following review and discussion, Director Hupp moved to: (1) adopt a Resolution Designating an Agent of the Secretary of the Board of Directors during the 2022 Directors Election Period appointing Arlene Catalan as the agent of the Secretary of the Board to perform the duties of the District's Directors Election; and (2) authorize the Secretary's agent to post notices of the appointment as required. Director Alwine seconded the motion, which was approved by unanimous vote.

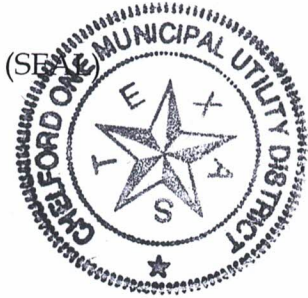
Ms. Staine discussed requirements for posting a Notice of Deadline to File Applications for Place on the Ballot for the 2022 Directors Election. Following discussion, Director Hupp moved to authorize the Secretary's agent to post the notice as required. Director Alwine seconded the motion, which was approved by unanimous vote.

Ms. Staine stated that the District may contract with Harris County (the "County") to conduct the District's 2022 Directors Election. Following discussion, Director Hupp moved to contract with the County to administer the District's election. Director Alwine seconded the motion, which was approved by unanimous vote.

Ms. Staine reviewed an Order Calling Directors Election and discussed notice requirements for the election. Following discussion, Director Hupp moved to adopt the Order Calling Directors Election and authorize the Secretary's agent to administer notices for the election as required. Director Alwine seconded the motion, which was approved by unanimous vote.

Ms. Staine discussed that a Notice of Election may be required to be posted or published and provided to the County Clerk and Voter Registrar of the County. Following discussion, Director Hupp moved to approve the Secretary's agent to post or publish and provide to the County Clerk and Voter Registrar the Notice of Election, if required, and to direct that the Notice be filed appropriately and retained in the District's official records. Director Alwine seconded the motion, which was approved by unanimous vote.

There being no other business presented to the Board, the meeting was adjourned.



Keretta Billing
Secretary, Board of Directors

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