

MINUTES OF SPECIAL MEETING  
CHELFORD CITY MUNICIPAL UTILITY DISTRICT  
HARRIS AND FORT BEND COUNTIES, TEXAS

**MISSION BEND INTEGRATED WATER SYSTEM**

31 January 2022

STATE OF TEXAS §  
COUNTIES OF HARRIS AND FORT BEND §

The Board of Directors (the "Board") of Chelford City Municipal Utility District (the "District") met in special session, open to the public at 6:30 p.m. on Monday, 31 January 2022, at the Chelford City Regional Wastewater Treatment Facility (the "Plant") Administration and Maintenance Building, 15027 Alief-Clodine Road, Harris County, Texas, outside the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

John L. Gardner	President
Johnnie M. Brumfield	Vice President
Anna Ochoa	Secretary/Treasurer and Investment Officer
Bryant Magee	Asst. Vice President and Asst. Secretary
Warren Hector	Asst. Vice President and Asst. Secretary

and all of said persons were present, with Director Gardner attending by teleconference, thus constituting a quorum. The Board noted that Director Gardner could participate in the discussions but could not vote on matters before the Board at this meeting, pursuant to Section 551.127 of the Texas Government Code.

Also present were Taylor Reed, P.E. of Vogler & Spencer Engineering ("VSE"), the District's Engineer; Michael Martin of the board of directors of Chelford One Municipal Utility District ("Chelford One"); and Deborah Cupples of the board of directors of Mission Bend Municipal Utility District No. 1 ("MBMUD 1").

Attending the meeting by teleconference were Demitra Berry of McLennan & Associates, L.P. ("McLennan"), the District's Bookkeeper; Jolie Craft, P.E., of VSE; Carlous Smith and Ramon Castillo of Si Environmental, LLC ("SiEnviro"), the District's Operator; Nick Alwine, Winetta Billings, Eston Hupp, and Connie Fowler of the board of directors of Chelford One; Mike Alderfer, Kay Haynie, Carol McDonald, and Carl Roecker of the board of directors of MBMUD 1; Brenda Whitehead, Judy Villagomez, and Marlene Wepler of the board of directors of Mission Bend Municipal Utility District No. 2 ("MBMUD 2"); Leroy Eaglin, a resident of MBMUD 2; and Dick Yale, Will Yale, and David Green of Coats Rose, P.C., the District's Attorney.

Director Brumfield called the meeting to order. She noted that the purpose of the meeting was to review the status of the water wells in and operation of the Mission

Bend Integrated Water System (the "Integrated Water System" or "IWS"); discuss the Operating Budget for the fiscal year ending 30 September 2022; and discuss certain other matters relating to the operation of the Integrated Water System.

## **Engineer's Report**

Mr. Reed presented the Engineer's Report, a copy of which is attached hereto. He reported on the status of the water plants and water wells in the Integrated Water System, as follows: (1) all Water Plants in MBMUD 1 are operational; (2) one water well in MBMUD 2 has been removed from service for repairs; (3) the generator replacement project at the District's Water Plant is ongoing; (4) the work on the booster pump replacement at the District's Water Plant will be deferred until the Chelford One Water Plant is online; (5) the Water Well Corrosion Report for Chelford One has been approved; and (6) upon installation of the orthophosphate system, the Chelford One Water Plant will be returned to service.

West Harris County Regional Water Authority (the "Authority"). Mr. Reed reported that VSE had received notification and confirmation from the Authority that the Authority plans to begin supplying surface water to the Mission Bend area by the 4th quarter of 2025. He remarked that all of the member districts of the IWS would need to prepare to simultaneously convert to chloramine disinfection systems at their water plants (the "Conversion") prior to the delivery of surface water by the Authority. Mr. Reed recommended that the member districts of the IWS have their plans for the Conversion ready in 2024.

Water Interconnections for the Integrated Water System (the "Interconnections"). Mr. Reed stated that he had nothing to report at this time regarding the Interconnections.

## **True Up Report**

Next, Mr. Smith discussed the true up of the gallons of water produced by each of the participants in the Integrated Water System and the gallons billed to each participant's customers (the "True Up Report"). He called the Board's attention to the True Up Report for January through December 2021 as prepared by SiEnviro, a copy of which is attached hereto as an exhibit to these minutes. A discussion ensued regarding the billed-to-produced ratio for the period of January through December 2021 (the "Ratio") as presented in the True Up Report. The Board noted that the Ratio for the IWS for the 12-month period was 84.32%. Director Gardner expressed his concern regarding the Ratio. Mr. Smith remarked that the contractors working in the District do not always accurately report their water usage to the District's Operator.

## **Langham Creek Resource Sharing Group**

The Board discussed the seminar at the recent Association of Water Board Directors – Texas Mid-Winter Conference regarding a group of water districts in Harris

County that formed the Langham Creek Resource Sharing Group in order to share water production resources during an extended power outage through the coordinated use of water plants and auxiliary generators. After discussion, the Board directed the District's Engineer to prepare a report on the feasibility of forming a similar resource sharing group for the member districts of the Integrated Water System.

### **Review Operating Budget**

Ms. Berry reviewed with the Board the Annual Operating Budget for the Integrated Water System for the period commencing 1 October 2021 through 30 September 2022 (the "Budget"). A copy of the Budget is attached hereto as an exhibit. She recalled that McLennan had increased by 12% the Expense item in the Budget for the groundwater pumpage fee (the "Pumpage Fee") to be levied by the Authority in calendar year 2022. Ms. Berry stated that no adjustments to the Budget were necessary at this time. The Board then reviewed the IWS Accounts Receivable Worksheet and the Reserve Analysis Worksheet, copies of which are attached hereto as exhibits.

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

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Secretary, Board of Directors

SEAL

Chelford City Municipal Utility District  
Mission Bend Integrated Water System  
Meeting of 31 January 2022  
Attachments

1. Engineer's Report;
2. True Up Report;
3. Annual Operating Budget;
4. IWS Accounts Receivable Worksheet; and
5. Reserve Analysis Worksheet.