

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

CHELFORD CITY REGIONAL WASTEWATER TREATMENT FACILITY

14 February 2022

STATE OF TEXAS §
COUNTIES OF HARRIS AND FORT BEND §

The Board of Directors (the "Board") of Chelford City Municipal Utility District (the "District") of Harris and Fort Bend Counties, Texas, met in regular session, open to the public, on the 14th day of February 2022, at the Chelford City Regional Wastewater Treatment Facility 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 & Investment Officer
Bryant Magee	Asst. Vice President & Asst. Secretary
Warren Hector	Asst. Vice President & Asst. Secretary

and all of said persons were present with the exception of Director Magee, thus constituting a quorum.

Also attending were Taylor Reed, P.E., and Norman Scholes, P.E., of Vogler & Spencer Engineering, Inc. ("VSE"), the District's Engineer; Nick Alwine of the board of directors of Chelford One Municipal Utility District ("Chelford One"); David Bugyi of the board of directors of Harris County Municipal Utility District No. 147 ("HCMUD 147"); Deborah Cupples of the board of directors of Mission Bend Municipal Utility District No. 1 ("MBMUD 1"); and Jacob Floyd, P.E., of Langford Engineering, Inc., engineer for Mission Bend Municipal Utility District No. 2 ("MBMUD 2").

Attending the meeting via teleconference were Diane Bailey and Demitra Berry of McLennan & Associates, the Bookkeeper for the Chelford City Regional Wastewater Treatment Facility (the "Plant"); Carlous Smith and Ramon Castillo of Si Environmental, LLC, ("SiEnviro"), the Operator of the Plant; Tanny Busby and Laura Bonjonja of Envirodyne Laboratories, Inc. ("Envirodyne"); Winetta Billings, Eston Hupp, Connie Fowler, and Mike Martin of the board of directors of Chelford One; Frances Browning, Bill Hammer, Tracy Jones, and Sylvia Marinez of the board of directors of Harris County Municipal Utility District No. 120 ("HCMUD 120"); Kay Pugh and Mary Purzer of the board of directors of HCMUD 147; Kay Haynie and Mike Alderfer of the board of directors of MBMUD 1; Mary Bertrand, Susan Johnson, Brenda Whitehead, Judy Villagomez, and Marlene Weppler of the board of directors of MBMUD 2; Leroy Eaglin,

a resident of MBMUD 2; Patrick Newton, P.E., of LJA Engineering & Surveying, Inc., engineer for HCMUD 120; Brian Toldan of McCall Gibson Swedlund Barfoot, PLLC ("McCall"), the District's Auditor; and Dick Yale, Will Yale, Christopher Hsu, and David Green of Coats Rose, P.C., the District's Attorney.

Director Gardner called the meeting to order.

Approval of Minutes

The minutes of the meeting of 10 January 2022 were presented for the Board's consideration. Upon a motion duly made and seconded, the Board voted to approve the minutes of the meeting of 10 January 2022, as written.

Annual Financial Report for the Fiscal Year ended 30 September 2021

Mr. Toldan reviewed the Annual Financial Report for the Plant for the fiscal year ended 30 September 2021 (the "Fiscal Year"). He pointed out that McCall had issued a clean opinion on the financial affairs of the Plant, which meant that McCall had been provided with all the materials necessary to audit the books and records of the Plant. He then reviewed the income and expenditures for the fiscal year. Mr. Toldan called the Board's attention to the summaries of billings and collections from each of the participants in the Plant.

Director Gardner then explained that the Board had reviewed and approved the Annual Financial Report for the Plant at the District's 7 February 2022 Board of Directors meeting. He noted that the participants in the Plant could contact McCall if they had questions. A copy of the Annual Financial Report for the Plant is filed in the permanent records of the District.

Operations Report

Mr. Smith reviewed the work performed at the Plant during the past month, as included in the Maintenance Items listed in the Operations Report, a copy of which is attached hereto. He called the Board's attention to the Vibration Analysis Report for the digester blowers and process water pumps dated 3 February 2022 as prepared by G-M Inspection Services, Inc. in connection with the vibration readings collected at the Plant during January 2022. A copy of the Vibration Analysis Report is included with the Operations Report.

Mr. Smith reported that the Plant had not experienced any violations of the Permit to Dispose of Wastes for the reporting period of December 2021. He added that during December 2021 the Plant operated at 30.5% of its permitted capacity. He briefly reviewed the photographs of the work performed at the Plant, as included in the January 2022 Invoice, a copy of which is attached hereto. The Board then reviewed the Connection Account History for the Plant as included in the Operator's Report.

Bookkeeper's Report

Next, Ms. Berry submitted the Bookkeeper's Report for the Plant for the Board's consideration. She reviewed the bills to the Plant and the checks prepared in payment thereof. She then reviewed the payments of the Plant's expenses for the month of January 2022 as received from the Plant's participants. Ms. Berry briefly discussed the status of the transfer of the accounts for the Plant from PNC Bank (formerly BBVA Bank) to Central Bank.

Then the Directors examined the Operating Budget for the fiscal year ending 30 September 2022 and the Budget Comparison for January 2022, copies of which are included with the Bookkeeper's Report. The Board also reviewed and discussed the Accounts Receivable Recap and the Schedule of Special Projects Operating Budget as presented in the Bookkeeper's Report.

The Board completed the review of the bills to the Plant and the checks in payment thereof. Upon a motion duly made and seconded, the Board voted unanimously to authorize payment of the bills of the Plant. A copy of the Bookkeeper's Report for the Plant is attached hereto.

Testing and Analysis of Wastewater Collection System

Then Mr. Busby reviewed the report on the results of testing and analyses at the Plant and in the Plant's collection system, a copy of which is attached hereto. He stated that the overall results of the compliance monitoring of the Plant's collection system were good but expressed his concern over the presence of volatile organic compounds and toluene in the Plant influent. Ms. Bonjonia then reported that the biomonitoring testing was tentatively scheduled to be performed on 7, 9, and 11 March 2022.

Engineer's Report

Next, Mr. Reed presented the Engineer's Report, a copy of which is attached hereto.

Mission Bend Integrated Water System (the "IWS"). Mr. Reed reported on the status of the water plants in the IWS, as detailed in the Engineer's Report attached hereto.

Odor Control Project at Lift Station B. Mr. Reed reported on the contract with N&S Construction Co., LP (called "N&S") for construction of the Odor Control project. He stated that construction of the Odor Control project was substantially complete. The new unit is in service, he told the Board, and N&S is addressing the punch list items.

Wi-Fi System for Plant SCADA. The Board discussed the status of the upgrades to the Wi-Fi System at the Plant by Fitch Services, Inc. ("Fitch"). Mr. Reed reported that

BGD had completed the updates to the SCADA system to communicate with the new units. He added that Fitch still needs to install certain items on the clarifiers.

Non-potable Water System for Plant (the "NPW System"). The Directors then discussed the contract with C3 for construction of the NPW System at the Plant. Mr. Reed reported that the pumps started up correctly and that C3 was coordinating with the District's Operator to tie in the NPW System. Mr. Reed then reported that C3 had submitted Pay Estimate No. 8 in the amount of \$2,952 in connection with the NPW System project. A copy of Pay Estimate No. 8 is included with the Engineer's Report.

Plant Administration Building Ventilation. Mr. Reed reported on the contract with GH Mechanical & Services, LLC ("GHMS") for the proposed improvements to the ventilation system in the Plant Administration Building (the "Ventilation Improvements"). He remarked that construction of the Ventilation Improvements was continuing and that equipment was delivered earlier this date.

Plant Administration Building Acoustical Improvements. Mr. Reed discussed with the Board matters relating to the proposed acoustical improvements to the meeting room at the Plant Administration Building to reduce echoes and reverberation. He recalled that the District's Engineer had received a price quote from Acoustical Solutions in the amount of \$2,291.36 for the purchase of acoustic materials for use in the Plant Administration Building (the "Acoustic Materials"). Mr. Reed stated that the Acoustic Materials would not be ordered until the Ventilation Improvements were completed.

Waste Activated Sludge Pumps (the "Sludge Pumps"). Mr. Reed reported that the District's Engineer received three bids for the Sludge Pumps project. He stated that the apparent low base bid for the Sludge Pumps project was submitted by Sustanite Support Services, LLC (called "Sustanite"), in the amount of \$240,000. A copy of the bid tabulation for the Sludge Pumps project is attached hereto as an exhibit to these minutes.

West Harris County Municipal Utility District No. 4 ("WHCMUD 4") / Request for Service. Mr. Reed stated that VSE had received a letter from Mary Gomez of Sherrington-Humble, LLC, the engineer for WHCMUD 4, in which Ms. Gomez presented WHCMUD 4's request to purchase wastewater treatment capacity in the Plant (the "Capacity") in the quantity of 160,000 gallons per day. Mr. Reed stated that VSE would calculate the cost per gallon for the Capacity once WHCMUD 4 had placed the required deposit with the District.

City of Houston (the "City") / Withdrawal from Plant. Mr. Reed stated that he had nothing new to report at this time regarding the future withdrawal by the City from the Plant.

Headworks A and B Screens. Mr. Reed reported that both of the screens have been replaced and are in service.

Proposed Lightning Protection System. Mr. Reed reported that two bids were received for the Lightning Protection System. He stated that McDonald Municipal and Industrial, a division of C. F. McDonald Electric, Inc. ("McDonald") had submitted the low bid in the amount of \$14,500. A copy of the bid tabulation for the Lightning Protection System is included with the Engineer's Report.

Electrical Conversion (4160V to 480V) and Positive Displacement Blower Upgrade (the "Conversion"). Mr. Reed reported that VSE was working with electrical engineer to prepare on a cost estimate for the Conversion project.

Turbo Blower Replacement. Mr. Reed reported that the District's Engineer met with a supplier of turbo blowers to begin discussions regarding the phasing out of old blowers at the end of their warranty period.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Engineer's Report; (2) authorize the purchase of the Acoustic Materials; (3) authorize payment of Pay Estimate No.8 to C3; (4) accept the low bid and award the contract for the Sludge Pump project to Sustanite; and (5) accept the low bid and award the contract for the Lightning Protection System to McDonald.

Attorney's Report

Mr. Dick Yale stated that there were no additional items to be discussed under the Attorney's Report.

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

Secretary, Board of Directors

SEAL

Chelford City Municipal Utility District
Chelford City Regional Wastewater Treatment Facility
Meeting of 14 February 2022
Attachments

1. Operations Report;
2. Invoice from Si Environmental, LLC;
3. Bookkeeper's Report;
4. Testing & Analysis Reports; and
5. Engineer's Report.