

MINUTES
CHELFORD ONE MUNICIPAL UTILITY DISTRICT
OF HARRIS COUNTY, TEXAS

March 21, 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 21st day of March, 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, thus constituting a quorum.

Also present at the meeting were: Yvette Daniel, a resident of the District; 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. ("VSE"); Mary Ann Mihills of Municipal Accounts & Consulting, L.P.; and Sandra Staine and Arlene Catalan of Allen Boone Humphries Robinson LLP ("ABHR").

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.

Ms. Daniel reported that Si Enviro investigated the reported leak located at 16122 Mission Village Drive and determined that the leak is located on the property owner's side of the meter. She inquired if the Board would consider repairing the sunken sidewalk along the property. Mr. Reed recommended that Ms. Daniel contact the County Commissioner's office regarding the sidewalk repair request.

MINUTES

The Board considered approving the minutes of the February 21, 2022, regular meeting, and the February 1, 2022, and February 14, 2022, special meetings. After review and discussion, Director Billings moved to approve the minutes of the February

21, 2022, regular meeting, as amended, and the February 1, 2022, and February 14, 2022, as presented. Director Fowler seconded the motion, which was approved by unanimous vote.

DISTRICT SECURITY MATTERS

Mr. Matt Dunn reviewed the District's monthly security report, a copy of which is attached. He discussed a sampling of security officers' end-of-shift reports. Mr. Matt Dunn responded to Board members' questions, comments, and requests regarding security matters.

Director Billings reported that she plans to contact the Harris County Commissioners Court to request a traffic control study for Addicks Clodine Road and Cabildo Drive due to the increase of drivers not stopping at the stop signs.

Mr. Andrew Dunn gave an update on the installation of the security cameras at the District's water plant.

Director Billings reported that some of the On-Site Protection signs in the District need to be replaced. Mr. Dunn stated that On-Site Protection will look into the matter.

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 February 28, 2022, 94.5% of the District's 2021 taxes were collected.

The Board discussed the delinquent account report, a copy of which is attached to the tax assessor/collector's report.

Following review and discussion, Director Alwine 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 Fowler, and was approved by unanimous vote.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board discussed the rapid increase of property values in the District.

Mr. Day presented and reviewed an analysis of the District's tax exemptions. Discussion ensued. The Board considered establishing the District's tax exemptions for the 2022 tax year and reviewed a proposed Resolution Concerning Exemptions from Taxation. The Board discussed the optional exemptions, including a general residential homestead exemption and residential exemptions for individuals who are disabled or are sixty-five years of age or older. After review and discussion, Director Alwine moved to adopt a Resolution Concerning Exemptions from Taxation, which provides

for the exemption from ad valorem taxation in the amount of \$15,000 of the appraised value of residence homesteads of individuals who are disabled or are sixty-five years of age or older, and rejects the general residential homestead exemption. The motion was seconded by Director Fowler. The motion passed four to one, with Directors Martin, Hupp, Alwine, and Fowler voting in favor and Director Billings opposed.

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 98.44% and discussed repairs performed for the Mission Bend Integrated Water System.

Mr. Smith reviewed repairs and maintenance performed for the District's water distribution system, sanitary sewer collection system, and water plant facilities during the month, including the jetting and clearing of a sanitary sewer main line and the replacement of an inflow preventor at 15511 Rio Plaza Drive. Mr. Smith responded to Board members' questions regarding repairs made to the water distribution system, sanitary sewer collection system, and water plant facilities.

The Board directed Si Enviro investigate the increase of blockages along Rio Plaza Drive. Mr. Reed stated that VSE would look into the possibility of a change to the location of the manhole dosing to improve the effectiveness and decreasing blockages in the system.

Mr. Smith recommended that the Board pause the Meter Change-up Program due to a decrease in the availability of supplies due to current market conditions. He stated that pausing the program would allow the District to keep a supply on hand for use in case of an emergency.

Director Billings inquired regarding the comparison of the District's Rate Order to similarly-situated districts with regard to commercial rates. Mr. Smith and Mr. Reed stated they are working on the comparison.

After review and discussion, Director Fowler moved to: (1) approve the operations report; and (2) authorize pausing the Meter Change-up Program. 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 Fowler 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.

ANNUAL REPORT ON IMPLEMENTATION OF WATER CONSERVATION PLAN

There was no discussion on this agenda item.

ANNUAL REVIEW OF DROUGHT CONTINGENCY PLAN

There was no discussion on this agenda item.

REVIEW CRITICAL LOAD SPREADSHEET FOR DISTRICT'S FACILITIES AND AUTHORIZE ANNUAL FILING

Ms. Staine reviewed the Critical Load Spreadsheet for the District's facilities. She stated that the updated Critical Load Spreadsheet was reviewed by the District's consultants and will be filed with the appropriate governmental agencies as required by state law. Following review and discussion, Director Fowler moved to authorize annual filing of the Critical Load Spreadsheet and direct that the Critical Load Spreadsheet be filed appropriately and retained in the District's official records. The motion was seconded by Director Billings, which was approved by unanimous vote.

REVIEW EMERGENCY PREPAREDNESS PLAN AND AUTHORIZE FILING OF UPDATES

Mr. Reed updated the Board on the status of the Emergency Preparedness Plan ("EPP").

ENGINEER'S REPORT

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. He presented and reviewed a proposal from Accurate Meter & Backflow, LLC in the amount of \$8,500.00, to upgrade the well meter in accordance to the new West Harris County Regional Water Authority requirements.

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

Mr. Reed updated the Board regarding construction of the washroom at Water Well No. 2, and reviewed and recommended approval of Pay Estimate No. 2 and Final in the amount of \$31,265.00, payable to C3 Constructors. He also presented a Certificate of Completion and Acceptance and recommended the Board accept the facilities. Mr. Smith reported Si Enviro is gathering quotes for a cleaning service for the washroom.

Mr. Reed stated that bids were received for the LED lighting upgrade at the Water Plant. He recommended that the Board award the contract to McDonald Municipal & Industrial - A Division of C.F. McDonald Electric, Inc. ("McDonald") in the amount of \$42,469.00. The Board concurred that, in its judgment, McDonald was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

Mr. Reed reviewed the plans and specifications for the Water Plant recoating and requested the Board authorize him to advertise for bids for the project.

Mr. Reed reviewed the plans and specifications for the water line rehabilitation for Mission Bend Section 3 and requested the Board authorize him to advertise for bids for the project.

Mr. Reed presented Four and One Design Landscape Architecture's statement of qualifications for the potential development of the vacant land next to the Water Plant. Discussion ensued regarding the possible uses of the land.

Mr. Reed reported VSE is pending receipt of a proposal from Champions Hydrolawn for the planting of bushes along the fence of the Water Plant. Additionally, he presented images of fence slat examples for the Board's consideration.

After review and discussion, Director Alwine moved to: (1) approve the engineer's report; (2) approve Pay Estimate No. 2 and Final, payable to C3 Constructors in the amount of \$31,265.00, for the construction of the washroom at Water Well No. 2, and to accept the facilities; (3) award the contract for the LED lighting upgrade at the Water Plant to McDonald in the amount of \$42,469.00, based upon the engineer's recommendation and subject to approval of the payment and performance bonds and review of the certificate(s) of insurance and endorsements, if any, provided by the contractor; (4) approve the plans and specifications and to authorize the engineer to advertise for bids for the Water Plant recoating; and (5) approve the plans and specifications and to authorize the engineer to advertise for bids for the water line rehabilitation for Mission Bend Section 3. Director Billings seconded the motion, which was approved by unanimous vote.

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.

Ms. Staine reviewed a legal conflict waiver regarding ABHR's legal representation of the District and the WHCRWA regarding preparation and review of water line and water meter easements between the District and the WHCRWA. Following review and discussion, Director Hupp moved to approve the legal conflict waiver. Director Fowler seconded the motion, which was approved unanimously.

MISSION BEND GREENBELT ASSOCIATION MATTERS

The Board discussed Mission Bend Greenbelt Association matters.

GREATER MISSION BEND AREA COUNCIL

Director Billings reported on Greater Mission Bend Area Council matters.

RENEWAL OF DISTRICT INSURANCE POLICIES

The Board reviewed a renewal proposal for the District's insurance policies due to expire on May 1, 2022, from McDonald Wessendorff Insurance in the amount of \$20,569.00. A copy of the renewal proposal is attached. Following review and discussion, Director Alwine moved to accept the insurance renewal proposal, and direct that the proposal be filed appropriately and retained in the District's official records. Director Billings seconded the motion, which was approved 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. She noted that MAC continues to hold check no. 1480 to On-Site Protection for the final payment for installation of security cameras until Director Martin confirms that the cameral installation is complete.

Ms. Mihills requested that the Board defer the enrollment of ADP, Inc.

After review and discussion, Director Alwine moved to approve the bookkeeper's report and quarterly investment report, including payment of the invoices as presented and discussed. Director Hupp seconded the motion, which was approved unanimously.

DISCUSS COMMUNITY MUD EDUCATION EVENT AND TAKE APPROPRIATE ACTION

There was no report on this agenda item.

2022 DIRECTORS ELECTION

Ms. Staine discussed procedures related to the 2022 Directors Election. She presented a Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors executed by the Secretary's agent stating that the District received two candidate application for the two director positions for the May 7, 2022, Directors Election.

Ms. Staine presented an Order Cancelling Election and Declaring Unopposed Candidates Elected to Office (the "Order Cancelling") stating that the May 7, 2022, Directors Election is cancelled and that the unopposed candidates, Dr. Winetta Billings and Eston Hupp, are declared elected to office to serve from the May 7, 2022, election until the May 2, 2026, Directors Election. She reviewed the posting requirements for the Order Cancelling.

Ms. Staine discussed that the Board had approved entering into a contract with Harris County (the "County") to administer the District's 2022 Directors Election.

Following review and discussion, Director Billings moved to: (1) accept the Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors and direct that the Certificate be filed appropriately and retained in the District's official records; (2) adopt the Order Cancelling Election and Declaring Unopposed Candidates Elected to Office, authorize the Secretary's agent to post the Order Cancelling, as required, and direct that the Order Cancelling be filed appropriately and retained in the District's official records; and (3) cancel the contract with the County for election services for the May 7, 2022 Directors Election. Director Alwine seconded the motion, which was approved unanimously.

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

(SEAL)




Secretary, Board of Directors

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