

two transfers by wire as follows: the transfer of \$5,546.37 in revenues from the tax for maintenance and operations to the District's Operating Fund and \$5,000 to the Debt Service Fund.

Preliminary Report of Appraised & Taxable Values. Ms. McLaughlin then informed the Board that Leared had received the Preliminary Report of Appraised & Taxable Values for the District for the 2022 tax year (the "Preliminary Report") as prepared by the Fort Bend Central Appraisal District (the "FBCAD"). Ms. McLaughlin noted that according to the FBCAD, the initial taxable value for the 2022 tax year for the portion of the District located in Fort Bend County totals approximately \$291,000,000. She added that the District's Tax Assessor/Collector had not yet received the Preliminary Report from the Harris County Appraisal District.

After review, upon a motion duly made and seconded, the Board voted unanimously to accept the Tax Assessor/Collector's Report and to authorize disbursements as listed therein. A copy of the Tax Assessor/Collector's Report is attached to and shall be considered to be part of these minutes.

Bookkeeper's Report

Next, Ms. Bailey reviewed the Bookkeeper's Report with the Board. She reviewed with the Board the status of the payments due to the District by the participants in the Mission Bend Integrated Water System (the "Integrated Water System" or "IWS"). Ms. Bailey then called attention to the checks written on the District's Operating Fund and the amounts to be disbursed out of the Integrated Water System account.

Ms. Bailey then reviewed the Investment Report, as included in the Bookkeeper's Report. She noted that TexPool paid interest at the average rate of 0.1536% per annum for the reporting period, which was the same than the previous month's average rate. She reviewed with the Board the Cash Analysis for the District's Capital Projects Fund which denotes the balance of the proceeds from the sale of the District's Series 2016 Bonds and Series 2020 Bonds. Also reviewed by the Board was the Budget Comparison for the Integrated Water System, as included in the Bookkeeper's Report.

After review, upon a motion duly made and seconded, the Board voted unanimously to accept the Bookkeeper's Report and authorize payment of the bills of the District and of the Integrated Water System. A copy of the Bookkeeper's Report is attached to and shall be considered to be part of these minutes.

Engineer's Report

Next, Mr. Reed reviewed the Engineer's Report with the Board, a copy of which is attached to and shall be considered to be part of these minutes.

Request for Service / 15401 Bellaire Boulevard / Grace Hall. Mr. Reed reported that construction of the detention pond appears to be complete. He added that a fence has been constructed around the detention pond site.

Request for Service / Family Food Mart at 15655 Bellaire Boulevard. Mr. Reed reported that construction activity had commenced and that the forms had been set for the future building foundation and detention pond.

Request for Service / Auto Shop at 15827 Bellaire Boulevard (the "Auto Shop Tract"). Mr. Reed reported that the owner of the Auto Shop Tract had requested water and sanitary sewer service from the District. He noted that the building in the Auto Shop Tract was constructed prior to the time when the Board amended the District's Consolidated Rate Order (the "Rate Order") to require storm water detention facilities. Mr. Scholes noted that the business in the western portion of the Auto Shop Tract would operate as Texan Auto Collision, Inc., and the business in the eastern portion of the Auto Shop Tract would operate as Solas Autos and Logistics. He remarked that there would be one service tap for the Auto Shop Tract. A discussion ensued regarding the Auto Shop Tract. Director Gardner expressed his view that the owner of the Auto Shop Tract should be required to comply with the requirements for storm water detention as stated in the Rate Order (the "Detention Requirements") as a condition for receiving service from the District.

After discussion, upon a motion duly made and seconded, the Board voted 3 to 2 in favor of requiring the owner of the Auto Shop Tract to comply with the Detention Requirements as a condition for receiving service from the District.

Detention Ponds Inspection Report. Mr. Reed reviewed the Inspection Report with the Board. A copy of the Inspection Report is included with the Engineer's Report.

Storm Water Detention Facilities / 16315 Bellaire Boulevard (Calvin Morrow). Mr. Reed reported that the open spaces in the building slab were still there even though the plans were supposed to be changed to delete them. He stated that the graffiti on the sides of the buildings continues to worsen. The grass detention pond in the tract has not been mowed, he continued, and the concrete pond is still holding water.

Water Plant Booster Pump Piping Replacement. Mr. Reed reported on the contract with C3 Constructors, LLC (called "C3") for the Piping Replacement project. He stated that C3 had mobilized for the project and that the Water Plant had been removed from service.

Quarterly Cleaning of Bellaire Boulevard. Mr. Reed stated that he had nothing new to report on this matter.

Integrated Water System. Mr. Reed reported on the status of the Integrated Water System, as detailed in the Engineer's Report attached hereto. He informed the Board that, to date, VSE had received confirmation from all of the participating water

districts in the IWS regarding the proposal from VSE to (1) perform certain engineering evaluations related to the operation of the Integrated Water System during times of natural disaster or other power outages; and (2) prepare a combined WaterCAD model for all member water districts in the Integrated Water System. Mr. Reed stated that VSE will request formal approval and authorization to commence design of the WaterCAD model at the next meeting of the Board with the Integrated Water System participants.

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 C3 was working on the painting of components and the demolition of the existing system. Mr. Reed then reported that C3 had submitted Pay Estimate No. 9 in the amount of \$28,957.50 in connection with the NPW System project. A copy of Pay Estimate No. 9 is included with the Engineer's Report. The Directors agreed to consider payment of Pay Estimate No. 9 at the Board's meeting on 9 May 2022.

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 submitted for the Board's review the letter by which the District acknowledges receipt of the Engineer's Certificate of Completion on the Odor Control Project and accepts said project (the "Acceptance Letter").

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

Waste Activated Sludge Pumps (the "Sludge Pumps"). Mr. Reed reported on the contract with Sustanite Support Services, LLC (called "Sustanite") for the Sludge Pumps project. He stated that Sustanite had commenced work on the Sludge Pumps project.

Lightning Protection System. The Board discussed the status of the contract with McDonald Municipal & Industrial, a Division of C.F. McDonald Electric, Inc. ("McDonald") for the Lightning Protection System on the Plant headworks. Mr. Reed reported that construction of the Lightning Protection System was substantially complete. He submitted for the Board's review the Acceptance Letter by which the District acknowledges receipt of the Engineer's Certificate of Completion on the Lightning Protection System and accepts said project.

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 substantially complete and that a start-up of the HVAC system took place on 31 March 2022. Mr. Reed reported that GHMS had submitted Pay Estimate No. 3 in the amount of

\$10,022 in connection with the Ventilation Improvements. A copy of Pay Estimate No. 3 is included with the Engineer's Report. The Directors agreed to consider payment of Pay Estimate No. 2 at the Board's meeting on 9 May 2022.

Plant Administration Building Acoustical Improvements. Mr. Reed reported on the installation of the acoustical improvements to the meeting room at the Plant Administration Building by of L&L Acoustics (called "L&L") to reduce echoes and reverberation. He reported that the painting was complete and the acoustic panels have been installed. After examination of the meeting room, he continued, Director Gardner authorized L&L to paint six doors at an additional cost of \$750. Mr. Reed then noted that the ceiling acoustic panels were not flush with the ceiling. He stated that VSE asked L&L to see if the ceiling acoustic panels could be shimmed.

West Harris County Municipal Utility District No. 4 ("WHCMUD 4") / Possible Request for Service. The Board discussed the request from WHCMUD to purchase wastewater treatment capacity in the Plant (the "Capacity"). Mr. Reed reviewed with the Board the report (the "Capacity Report") for the cost per gallon for the purchase of the Capacity by WHCMUD 4 to be transmitted to the engineer for WHCMUD 4. He noted to the Board that Harris County Municipal Utility District No. 120 and Mission Bend Municipal Utility District No. 2 have available Capacity that could be sold to WHCMUD 4. A copy of the Capacity Report is included with the Engineer's Report.

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.

Proposed Rotary Drum Screen Replacement for Scum System (the "Screen Replacement"). Mr. Reed reported that VSE had commenced work on the design of the Screen Replacement.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Engineer's Report; (2) approve the Acceptance Letter for the Odor Control Project and authorize Director Gardner to execute same; (3) and approve the Acceptance Letter for the Lightning Protection System and authorize Director Gardner to execute same. Copies of the Acceptance Letters for the Odor Control Project and the Lightning Protection System are attached hereto as exhibits to these minutes.

Request for Refund / Rick Morrow

The Board briefly discussed matters relating to the request from Rick Morrow for a refund of certain backcharges to his service account with the District (the "Refund") in connection with the mowing of grass on the detention pond site located at 7020 Paso Del Sol by Seaback Maintenance. Mr. Yale stated that, to date, Mr. Morrow had not responded to the correspondence from the District's Attorney regarding the Refund, nor

had he executed and returned the Full and Complete Release and Indemnity Agreement as prepared by the District's Attorney.

Renewal of Insurance Coverage

Next, the Board discussed matters relating to the renewal of the District's insurance policies (the "Insurance Policies"). Mr. Yale informed the Board that the current policy term for the Insurance Policies would expire on 1 July 2022. He stated that the District's Attorney would contact McDonald & Wessendorff Insurance, LLC regarding the status of the proposal for the renewal of the Insurance Policies.

Mission Bend Greenbelt Association

The Board briefly discussed matters relating to the Mission Bend Greenbelt Association (the "Association"). Director Brumfield questioned why the Association was continuing to conduct its meetings at Clayton Homeowner's Association Clubhouse when the meeting room at the Plant Administration Building was available.

Operations Report

Next, Mr. Smith reviewed the Operations Report with the Board. He summarized information about well pumpage in the Integrated Water System and said that 95.8% of the water pumped from the wells in the Integrated Water System was accounted for. He then listed work performed for the District in the wastewater collection system and the water distribution system. Mr. Smith reported that the Plant experienced no violations of the Permit to Dispose of Wastes during the month of March 2022. He added that during March 2022 the Plant operated at 30.8% of its permitted capacity.

Return Activated Sludge Pump No. 1 (the "RAS Pump"). Mr. Smith reported on the condition of the RAS Pump at the Plant. He stated that the estimated cost to repair the RAS Pump was \$22,843 (the "Pump Repairs") and the estimated cost for a new unit was \$47,840, plus freight. A copy of the Estimate of Repairs for the RAS Pump is included with the Operator's Report.

Upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Operations Report; (2) authorize the District's Operator to proceed with the Pump Repairs; and (3) authorize the District's Operator to solicit proposals for the purchase of a new RAS Pump. Attached hereto as exhibits are copies of the Operations Report and the invoice from SiEnviro with photographs of the work performed in the District.

Termination of Service

Mr. Smith called the Board's attention to the Delinquent Letter Accounts Listing of customers who were delinquent in the payment of amounts due to the District for water and sewer services, as included in the Operations Report. He assured the Board that all notifications had been provided to the customers, as required pursuant to the District's

Consolidated Rate Order. The Directors observed that there were no persons present to protest their billing from the District. Upon a motion duly made and seconded, the Board voted unanimously to authorize termination of service to the accounts that remain unpaid on the deadline date.

Attorney's Report

Mr. Yale presented the Attorney's Report.

Approval of Certified Agenda. The Directors considered approval of the certified agenda for the executive session of 5 April 2022. After discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the certified agenda for the executive session of 5 April 2022 as written.

West Harris County Regional Water Authority (the "Authority") / Request for Water Line and Meter Easement. Mr. Yale reviewed with the Board a letter dated 2 May 2022 from Nancy P. Collins of D.E. Corp., in which she presented the Authority's request for the District to donate a 30-foot Water Line and Meter Easement (the "Easement") to the Authority in connection with the Authority's surface water line project. A copy of the letter is attached hereto as an exhibit to these minutes. Mr. Yale noted that the letter and the proposed Easement instrument had been forwarded to the District's Engineer. Mr. Scholes discussed the proposed Easement with the Board. The Directors then deferred further discussion regarding the Easement to a future meeting of the Board.

Reimbursement of Director Expenses. The Board discussed matters regarding the reimbursement of expenses submitted by the Directors in connection with their official duties. Director Gardner proposed establishing a travel allowance not to exceed \$25 for attendance at Board meetings. No action was taken on said proposal. Then, after discussion, during which Director Magee stated that he would abstain, upon a motion duly made and seconded, the Board voted 1 to 3 in favor of reimbursing Directors for mileage driven within the District for attendance at Board meetings. For lack of the required majority of three votes, the motion failed. Then, after further discussion, upon a motion duly made and seconded, the Board voted 3 to 2 in favor of declining reimbursement to Directors for mileage driven for attendance at Board meetings.

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

Secretary, Board of Directors

SEAL

Chelford City Municipal Utility District
Meeting of 2 May 2022
Attachments

1. Tax Assessor/Collector's Report;
2. Bookkeeper's Report;
3. Engineer's Report;
4. Acceptance Letter / Odor Control System;
5. Acceptance Letter / Lightning Protection System;
6. Operations Report;
7. Invoice from SiEnviro; and
8. Letter from D.E. Corp.