

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

CHELFORD CITY REGIONAL WASTEWATER TREATMENT FACILITY

9 January 2023

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 9th day of January 2023, 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 Hector, thus constituting a quorum.

Also attending were Diane Bailey of McLennan & Associates, the Bookkeeper for the Chelford City Regional Wastewater Treatment Facility (the "Plant"); Taylor Reed, P.E., and Norman Scholes, P.E., of Vogler & Spencer Engineering, Inc. ("VSE"), the District's Engineer; Carlous Smith of Si Environmental, LLC, ("SiEnviro"), the Operator of the Plant; Tanny Busby of Busby Environmental Services, Inc. (called "BES"); Laura Bonjonia of Envirodyne Laboratories, Inc. ("Envirodyne"); David Green of Coats Rose, P.C., the District's Attorney; Nick Alwine, Winetta Billings, and Connie Fowler of the board of directors of Chelford One Municipal Utility District ("Chelford One"); Gary Gassmann of the board of directors of Harris County Municipal Utility District No. 120 ("HCMUD 120"); 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 Leroy Eaglin of the board of directors of Mission Bend Municipal Utility District No. 2 ("MBMUD 2").

Attending the meeting via teleconference were Ramon Castillo of SiEnviro; Eston Hupp and Michael Martin of the board of directors of Chelford One; Frances Browning, Tracy Jones, and Sylvia Marinez of the board of directors of HCMUD 120; Lynea Gallagher, Michell Miller, and Kay Pugh of the board of Directors of HCMUD 147; Mike Alderfer and Kay Haynie of the Board of Directors of MBMUD 1; Susan Johnson, Judy

Villagomez, and Marlene Wepler of the board of directors of MBMUD 2; Patrick Newton, P.E., of LJA Engineering & Surveying, Inc., engineer for HCMUD 120; Miles Fabian, P.E. of AEI Engineering, a Baxter Woodman Company, engineer for MBMUD 2; Bintuan Zhu, P.E. of the City of Houston; and Dick Yale of Coats Rose.

Director Gardner called the meeting to order.

Approval of Minutes

The minutes of the meeting of 12 December 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 12 December 2022, as written.

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 then called the Board's attention to the Vibration Analysis Report for the digester blowers and process water pumps dated 4 January 2023 as prepared by G-M Inspection Services, Inc. in connection with the vibration readings collected at the Plant during December 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 November 2022. He added that during November 2022 the Plant operated at 33.1% of its permitted capacity. He briefly reviewed the photographs of the work performed at the Plant, as included in the December 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. Bailey 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 December 2022 as received from the Plant's participants.

Then the Directors examined the Operating Budget for the fiscal year ending 30 September 2023 (the "Budget") and the Budget Comparison for December 2022, copies of which are included with the Bookkeeper's Report. Ms. Bailey distributed to the Board copies of the revised Budget, a copy of which is attached hereto. She explained that the Budget had been updated with regard to the number of equivalent single-family connections for each of the participants in the Plant.

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.

A discussion ensued regarding the status of the deposit (the "Deposit") placed with the District by West Harris County Municipal Utility District No. 4 ("WHCMUD 4") in connection with its request to purchase wastewater treatment capacity in the Plant (the "Plant Capacity"). Mr. Reed stated that, according to Mr. Bugyi, the directors of WHCMUD 4 might still be interested in purchasing the Plant Capacity. Director Gardner expressed his view that representatives of WHCMUD 4 would need to attend a future meeting of the Board to express their intent regarding the purchase of the Plant Capacity. Mr. Reed proposed that the District transmit a request to WHCMUD 4 (the "Request Letter") for written confirmation to the District as to whether they are considering the purchase of the Plant Capacity. The Board then directed Mr. Yale to prepare the Request Letter.

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. A discussion ensued regarding the drainage of water from swimming pools into the wastewater collection system for the Plant. Mr. Reed stated that it was permissible for water from a swimming pool to be drained into a sanitary sewer system. He added that the water from a swimming pool would have to be dechlorinated prior to being drained into a storm sewer system. Ms. Bonjonia then reported that the next round of biomonitoring was scheduled for 20, 22, and 24 February 2023.

Engineer's Report

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

Mission Bend Integrated Water System (the "Integrated Water System"). Mr. Reed reported on the status of the Integrated Water System, as detailed in the Engineer's Report attached hereto. He noted that VSE would need to begin design in the third quarter 2023 for the conversion to chloramine disinfection at the water plants in the Integrated Water System. At this time, he told the Board, the West Harris County Regional Water Authority (the "WHCRWA") is projected to provide surface water to the Integrated Water System in the fourth quarter of 2025 or early 2026. Mr. Reed informed the Board that the WHCRWA had awarded Contract No. 31 to VSE for the design of the

surface water transmission lines to connect with the water plants in the District, Chelford One, and MBMUD 1. Mr. Reed then reported that that VSE was proceeding with the design of the combined WaterCAD Model for the member districts in the Integrated Water System. He noted that the next meeting of the Board with the member districts in the Integrated Water System would be held at 6:30 p.m. on Monday, 30 January 2023.

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 Fitch had completed the start-up of the Wi-Fi system and that Baird Gilroy & Dixon, LLC was working on the modifications to the SCADA System.

Waste Activated Sludge Pumps (the "Sludge Pumps"). Mr. Reed reported on the contract with Sustanite Support Services, LLC ("Sustanite") for the Sludge Pumps project. He reported that the hard freeze in late December 2022 had caused a fracture in the volute housing on one of the Sludge Pumps. Mr. Taylor stated that VSE had contacted the manufacturer of the Sludge Pump regarding a possible warranty claim for the damaged Sludge Pump. He discussed with the Board the possibility of purchasing an additional Sludge Pump at an estimated cost of \$5,400 to be kept as a spare unit (the "Spare Pump").

Rotary Drum Screen Replacement for Scum System (the "Screen Replacement"). Mr. Reed reported on the contract with Gilleland Smith Construction, Inc. ("Gilleland") for the Screen Replacement. He informed the Board that VSE was reviewing the contractor submittals on the Screen Replacement.

Replacement of Headworks "A" Washer Compactor (the "Compactor Replacement"). Mr. Reed reported on the contract with Gilleland for the Compactor Replacement. He remarked that VSE was reviewing the contractor submittals on the Compactor Replacement.

Replacement of Digester Blower No. 1 (the "Blower Replacement"). Mr. Reed reported on the contract with C3 Constructors, LLC (called "C3") for the Blower Replacement. He reported that VSE was reviewing the contractor submittals for the Blower Replacement.

Sludge Horizontal Screw Conveyors (the "Sludge Conveyors"). Mr. Reed reported on the contract with C3 for the Sludge Conveyors. He stated that C3 had submitted Pay Estimate No. 1 in the amount of \$3,960 in connection with the Sludge Conveyors project. A copy of Pay Estimate No. 1 is included with the Engineer's Report.

Upgrade of 2.5-ton Air Conditioner in Operator Room to 4-ton Unit. Mr. Reed reported that the new 4-ton air conditioning unit was on order by GH Mechanical & Services, LLC and that delivery was expected in February 2023.

Replacement of Pressure Tank on NPW System (the "Pressure Tank Replacement"). Mr. Reed reported on the contract with Sustanite for the Pressure Tank

Replacement. He stated that VSE was scheduling the pre-construction meeting with the contractor.

Proposed Replacement of Thickener Pump. Mr. Reed reported that the receipt and review of bids on the Thickener Pump had been postponed to February 2023.

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.

Electrical Conversion (4160V to 480V) (the "Conversion"). Mr. Reed reported that the 60% design plans for the Conversion project were being revised based on comments from the recent review. He added that the design plans would be reviewed again at the 90% stage.

Turbo Blower Replacement. Mr. Reed reported that VSE was working on the design to phase out the existing aeration turbo blowers as they reach the conclusion of the 10-year warranty period. He noted that the 10-year warranty period on three blowers will expire in 2024, with another set to expire in 2025.

Completed Projects / Warranty Expirations. Mr. Reed then reviewed with the Board the status of the warranties on the contracts for certain projects at the Plant as detailed in the Engineer's Report.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Engineer's Report; (2) authorize the purchase of the Spare Pump; and (3) authorize payment of Pay Estimate No. 1 to Sustanite.

Attorney's Report

Mr. Yale presented the Attorney's Report.

Request for Annexation and Service / 17.857-Acre Tract on Westpark Drive. Mr. Yale briefly discussed with the Board matters relating to the proposed annexation by the District of a certain tract of land on Westpark Drive. He remarked that, to date, a majority of the parties to the Agreement providing for Chelford City Regional Wastewater Treatment Facility Service Area Expansion had executed the instrument.

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 9 January 2023
Attachments

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