

MINUTES
CHELFORD ONE MUNICIPAL UTILITY DISTRICT
OF HARRIS COUNTY, TEXAS

October 23, 2023

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 23rd day of October, 2023, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, 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, except Director Martin and Hupp, thus constituting a quorum. Director Martin was in attendance by teleconference but did not participate in the meeting.

Also present at the meeting were: Matt Dunn of On-Site Protection LLC; Brenda McLaughlin of Bob Leared Interests, Inc.; Carlous Smith of Si Environmental, LLC ("Si Environmental"); Norm Scholes of Vogler & Spencer Engineering Inc. ("VSE"); Mary Ann Mihills and Rahi Patel of Municipal Accounts & Consulting, L.P.; and Sandra Staine and Arlene Catalan of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENTS

The Board offered any members of the public the opportunity to make a public comment. There being no members of the public requesting to make a public comment, the Board moved to the next agenda item.

MINUTES

The Board considered approving the minutes of the September 18, 2023, regular meeting and the September 5, 2023, and September 11, 2023, special meetings. After review and discussion, Director Billings moved to approve the minutes of the September 18, 2023, regular meeting, as presented, and the September 5, 2023, and September 11, 2023, as presented. Director Fowler seconded the motion, which was approved by unanimous vote.

DISTRICT SECURITY MATTERS

Mr. Dunn reviewed the District's monthly security report, a copy of which is attached. He responded to Board members' questions, comments, and requests regarding security matters.

Mr. Dunn and the Board discussed the increase of crime in neighboring areas and Fort Bend County.

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 September 30, 2023, 98.43% of the District's 2022 taxes were collected and 0% of the District's 2023 taxes were collected. Following review and discussion, Director Fowler 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 Billings and was approved by unanimous vote.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. McLaughlin stated that notice was published of the public hearing to be held at today's meeting regarding adoption of the District's proposed 2023 total tax rate of \$0.46.

The Board opened the public hearing. There being no comments from the public, the Board closed the public hearing.

Ms. Staine presented an Order Levying Taxes reflecting the proposed 2023 tax rate. She then presented an Amendment to Information Form reflecting the tax rate and stated that the Amendment will be filed with the Texas Commission on Environmental Quality and recorded in the Official Public Records of Harris County.

After review and discussion, Director Billings moved to: (1) adopt the Order Levying Taxes reflecting a total 2023 tax rate of \$0.46 per \$100 of assessed valuation, comprised of \$.30 to pay debt service on water, sewer, and drainage bonds and \$0.16 for operations and maintenance; (2) authorize execution of the Amendment to Information Form; and (3) direct that the Order and Amendment be filed appropriately and retained in the District's official records. Director Fowler seconded the motion, which passed by unanimous vote.

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 95.22% and discussed repairs performed at the Mission Bend Integrated Water System.

Mr. Smith reviewed the repairs to and maintenance performed at the District's water distribution system, sanitary sewer collection system, and water plant facilities during the month, including three mainline repairs. Mr. Smith responded to Board members' questions regarding repairs made to the water distribution system, sanitary sewer collection system, and water plant facilities.

Mr. Smith presented and reviewed a preventative maintenance spreadsheet for reoccurring maintenance in the District, a copy of which is attached to the operations report.

Mr. Smith reported that the District has received notices of class action settlements with DuPont and 3M for damages to Public Water Systems due to the presence of Per- and Polyfluoroalkyl Substances ("PFAS") in drinking water. He stated that the District falls into the Settlement Class and can therefore, submit a claim for damages. Ms. Staine discussed details of the class action settlements and answered questions for the Board.

Director Billings noted that the invoices provided by Si Environmental are not being submitted on a timely basis. Mr. Smith stated that he would look into the matter.

After review and discussion, Director Fowler moved to approve the operations report. Director Billings 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

approved by unanimous vote.

ENGINEER'S REPORT

Mr. Scholes presented and reviewed the engineer's report, a copy of which is attached.

Mr. Scholes reported the 10-year Capital Improvement Plan will be ready for the Board's review at the regular November Board meeting.

Mr. Scholes updated the Board regarding construction of the Water Line Rehabilitation serving Mission Bend Section 3.

Mr. Scholes updated the Board regarding construction of the Water Line Rehabilitation to serve Los Patios Section 1, Addick Clodine Road and Winkleman Road. He reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$128,119.50, payable to Aranda Industries, LLC ("Aranda"). Director Billings reported that Aranda has backfilled the exposed holes following the last Board meeting.

Mr. Scholes presented and reviewed a draft sign for posting at District construction projects. He requested any comments or edits be sent to VSE.

Mr. Scholes reported that VSE is preparing the design plans for the District's Water Plant Chloramine Conversion. He stated VSE is projecting the District's reimbursement cost to be approximately \$300,000 per plant. Director Billings stated that the West Harris County Regional Water Authority ("WHCRWA") will be distributing information regarding the reimbursement procedures.

Mr. Scholes presented and reviewed the Harris County Precinct No. 4's ("HCP 4") Call for Projects award letter. He stated that VSE will continue communicating with HCP 4 regarding funding.

After review and discussion, Director Fowler moved, based on the engineer's recommendation, to: (1) approve the engineer's report; and (2) approve Pay Estimate No. 2 in the amount of \$128,119.50. Director Billings seconded the motion, which was approved by unanimous vote.

Director Billings noted that portions of the sidewalk along Paladora Drive and La Paloma Drive are missing. Mr. Scholes stated that VSE would look into the matter.

MISSION BEND INTEGRATED WATER SYSTEM ("MBIWS") MATTERS

Mr. Scholes updated the Board on MBIWS matters.

CHELFORD CITY REGIONAL WASTEWATER TREATMENT PLANT ("WWTP")
MATTERS

Mr. Scholes updated the Board on Chelford City Regional WWTP matters.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

The Board discussed WHCRWA matters.

MISSION BEND GREENBELT ASSOCIATION MATTERS

There was no discussion on Mission Bend Greenbelt Association matters.

GREATER MISSION BEND AREA COUNCIL

There was no discussion on Greater Mission Bend Area Council matters.

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. After review and discussion, Director Fowler moved to approve the bookkeeper's report and quarterly investment report, including payment of the invoices as presented and discussed. Director Billings seconded the motion, which was approved by unanimous vote.

CONDUCT ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPT
RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

The Board conducted an annual review of the District's Investment Policy and concurred that no changes were necessary at this time. Following review and discussion, Director Fowler moved to adopt a Resolution Regarding Annual Review of Investment Policy reflecting that the current policy will remain in effect and direct that the Resolution be filed appropriately and retained in the District's official records. Director Billings seconded the motion, which was approved by unanimous vote.

REVIEW, REVISE, AND ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED
DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED
BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT
TRANSACTIONS

Ms. Staine reviewed a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions. She stated that the District's bookkeeper has provided the District with an updated list of qualified broker/dealers with whom the

District may engage in investment transactions. After review and discussion, Director Fowler moved to adopt the Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions and direct that the Resolution be filed appropriately and retained in the District's official records. Director Billings seconded the motion, which was approved by unanimous vote.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER

The Board convened in executive session at 12:54 p.m., pursuant to Section 551.071, Texas Government Code, to seek the advice of its attorney regarding pending or contemplated litigation or to seek and receive legal advice by the District's attorney. In addition to the Board, only Ms. Staine and Ms. Catalan were present during the executive session.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING PENDING OR CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER

The Board reconvened in open session at 1:08 p.m.

Following discussion, Director Billings moved to authorize Si Environmental to submit Claims Forms for inclusion in the class action settlements with DuPont and 3M for damages to Public Water Systems due to the presence of PFAS in drinking water by the required deadlines. Director Fowler seconded the motion, which passed unanimously.

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



Shanetta Billings
Secretary, Board of Directors

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