

MINUTES
CHELFORD ONE MUNICIPAL UTILITY DISTRICT
OF HARRIS COUNTY, TEXAS

February 19, 2024

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 19th day of February, 2024, 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
Vacant	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 Hupp, thus constituting a quorum.

Also present at the meeting were: Andrew Dunn and Matt Dunn of On-Site Protection LLC ("On-Site"); Carlous Smith of Si Environmental, LLC ("Si Environmental"); Norman Scholes of Vogler & Spencer Engineering Inc. ("VSE"); Mary Ann Mihills of Municipal Accounts & Consulting, L.P. ("MAC"); and Whitney Higgins 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 January 17, 2024, regular meeting and the January 2, 2024, and January 8, 2024, special meetings. After review and discussion, Director Billings moved to approve the minutes of the January 17, 2024, regular meeting, as amended, and the January 2, 2024, and January 8, 2024, as presented. Director Fowler seconded the motion, which was approved by unanimous vote.

ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") CONFERENCES

The Board discussed the AWBD winter conference and related eligible expenses. Ms. Mihills reported expenses submitted by Directors in attendance were in compliance with the District's travel reimbursement guidelines. After discussion, Director Billings

moved to approve eligible expenses associated with the AWBD winter conference and authorize attendance at the AWBD summer conference. Director Fowler seconded the motion, which passed by unanimous vote.

DISTRICT SECURITY MATTERS

Mr. Matt 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.

Discussion ensued regarding the District's water plant gate being left open. The Board expressed their concern and requested that the gate be closed, as this continues to be an issue. Mr. Smith stated that Si Environmental will contact the company that services the gate and request it be serviced to verify if the issue is mechanical. Additionally, he stated that he would speak to the rest of the Si Environmental staff at the water plant and direct that they ensure that the gate is closed after each use.

The Board discussed posting a portion of the security report with only the map of the District and surrounding areas on the District's website.

The Board requested that On-Site increase monitoring of the stop sign located at the intersection of Sierra Trails Drive and Rio Plaza Drive. Additionally, the Board requested that On-Site also monitor areas where vehicles are being parked head on into the curb rather than parallel to it. This would include the intersections where Las Brisas Drive turns into Rio Plaza Drive and La Granada Drive turns into Paradora Drive. Mr. Andrew Dunn stated that On-Site would have officers investigate the Board's concerns.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Mihills 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 January 31, 2024, 91.1% 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.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT TAX ACCOUNTS AND AUTHORIZE TERMINATION OF SERVICE

The Board reviewed and discussed the delinquent tax report from Perdue, Brandon, Fielder, Collins and Mott, L.L.P. ("Perdue Brandon"). After review and discussion, the Board did not authorize termination of water service to property with delinquent tax accounts and requested that Perdue Brandon attend the next regular Board meeting.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board considered establishing the District's tax exemptions for the 2024 tax year and reviewed a proposed Resolution Concerning Exemptions from Taxation. The Board discussed the types of 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 Fowler moved to adopt a Resolution Concerning Exemptions from Taxation, which provides for the exemption from ad valorem taxation 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 Martin and was approved 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 95.60% 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 the two tap line repairs along Villa Del Sol Drive and La Paloma Drive, respectively. 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.

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 in the District's official records. Director Billings seconded the motion, and was approved by unanimous vote.

CONDUCT ANNUAL REVIEW AND RECEIVE REPORT FROM OPERATOR ON IDENTITY THEFT PREVENTION PROGRAM AND ADOPT IDENTITY THEFT PREVENTION PROGRAM AMENDMENT

There was no discussion on this agenda item.

ENGINEER'S REPORT

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

Mr. Scholes updated the Board regarding construction of the Water Line Rehabilitation to serve Los Patios Section 1, Addicks Clodine Road and Winkleman Road and reviewed and recommended approval of Pay Estimate No. 3 in the amount of \$365,051.25, payable to Aranda Industries, LLC ("Aranda"). The Board requested VSE inquire when Aranda will remove the pile of concrete on the vacant lot next to the water plant.

Mr. Scholes stated he would speak to one of the supervisors at Aranda to remind the employees to close the gate after each use.

Mr. Scholes updated the Board regarding the Harris County Precinct No. 4's ("HCP 4") Call for Projects and stated that they are moving forward with the District's park project. Mr. Scholes stated HCP 4 is in the initial design phase of the project. The Board requested clarification regarding the responsible party for design of the project, as it was VSE's understanding that the District would take the lead on the project with HCP 4's funding.

Mr. Scholes reported that VSE is in the process of preparing Bond Application No. 9.

Mr. Scholes reported that HCP 4 has accepted Chelford City Municipal Utility District's request for sidewalks along Bellaire Boulevard. He stated that sidewalks will be placed along the north and south side of the road.

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. 3 in the amount of \$365,051.25. Director Billings seconded the motion, which was approved by unanimous vote.

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 ("WHCRWA")

Mr. Scholes updated the Board on WHCRWA matters.

Ms. Higgins requested approval and authorization for the operator to submit the District's Water Usage Reporting Form to the WHCRWA. After discussion, Director Fowler moved to approve and authorize the operator to submit the District's Water Usage Reporting Form to the WHCRWA. Director Billings seconded the motion, which passed unanimously.

MISSION BEND GREENBELT ASSOCIATION MATTERS

The Board discussed Mission Bend Greenbelt Association matters.

GREATER MISSION BEND AREA COUNCIL

The Board discussed 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.

Director Billings inquired about an invoice from Seaback Maintenance, Inc. ("Seaback") with additional work, trimming/clean up along the water plant fence line, in the amount of \$1,200.00. Mr. Smith stated that he would get more information for Director Billings about the additional work and why it was performed. Ms. Mihills stated that MAC would hold the check to Seaback until the Board approves the additional work.

After review and discussion, Director Billings moved to approve the bookkeeper's report and quarterly investment report, including payment of the invoices

as presented and discussed. Director Fowler seconded the motion, which was approved by unanimous vote.

APPROVE AND AUTHORIZE FILING OF ANNUAL REPORT

Ms. Higgins informed the Board that, pursuant to the District’s continuing disclosure obligations for outstanding bond issues, the District is required to file an annual report with the Municipal Securities Rulemaking Board by March 31, 2024. After discussion, Director Billings moved to approve and authorize filing of the annual report in accordance with the District’s Continuing Disclosure of Information Agreements and as required by SEC Rule 15c2-12. Director Fowler seconded the motion, which was approved by unanimous vote.

PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board conducted an annual review of the District’s Procedures for Continuing Disclosure Compliance and concurred that no changes were necessary.

Director Billings stated that lighting at night at the water plant appears to be too dark and requested that VSE look into the matter. Mr. Scholes stated that he could visit the plant with Director Billings.

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



Kimberly Billings
Secretary, Board of Directors

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