

MINUTES
CHELFORD ONE MUNICIPAL UTILITY DISTRICT
OF HARRIS COUNTY, TEXAS

August 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 August, 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
Connie Fowler	Vice President
Dr. Winetta Billings	Secretary
Lynne Alwine	Assistant Vice President
Vacant	Assistant Secretary

and all of the above were present, thus constituting a quorum.

Also present at the meeting were: Andrew Dunn and Alfred Segundo of On-Site Protection LLC ("On-Site"); Brenda McLaughlin of Bob Leared Interests, Inc.; Carlous Smith of Si Environmental, LLC ("Si Environmental"); Taylor Reed of Vogler & Spencer Engineering Inc. ("VSE"); Mary Ann Mihills and Kyle Cortez of Municipal Accounts & Consulting, L.P.; and Whitney Higgins, Patrick Coleman, and Arlene Catalan of Allen Boone Humphries Robinson LLP ("ABHR").

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 July 15, 2024, regular meeting, the April 29, 2024, and July 2, 2024 special meetings. After review and discussion, the Board discussed certain revisions to the July 15, 2024 regular minutes. Director Billings moved to approve the minutes of the July 15, 2024, regular meeting, as amended, the April 29, 2024, and July 2, 2024, 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 reported on drunk driving, unlicensed drivers, and domestic violence in the District.

Mr. Dunn responded to Board members' questions, comments, and requests regarding security matters.

Mr. Dunn reported on On-Site's new officer hires from the Harris County Sheriff's office. He stated the new hires would benefit the District and result in faster response times from the Sheriff's office.

Director Billings noted that the two trailers previously reported for parking along Addicks Clodine Road and Paladora, that were obstructing the roads, have returned. She stated that she would send On-Site the address to follow up on the matter.

Mr. Dunn reported that the data used for the report regarding Fort Bend County security matters continues to be unavailable. He stated that On-Site has continued to follow up with Fort Bend County on the matter, noting the importance of On-Site's receipt of the data. Director Billings suggested contacting Commissioner Dexter McCoy of Fort Bend County Precinct No. 4.

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 July 31, 2024, 97.1% of the District's 2023 taxes were collected.

The Board inquired about the delinquent tax accounts and asked if the District should be concerned about the District's current tax collection rate. Discussion ensued. Ms. McLaughlin noted the Board authorized the District's delinquent tax attorney to pursue the delinquent tax accounts.

Director Fowler asked about deferral accounts and the delinquent tax attorney's authority to pursue deferred accounts. Ms. McLaughlin explained how deferral accounts work and the limitations of the delinquent tax attorney in pursuing those accounts.

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 Alwine, which was approved by unanimous vote.

DISCUSS 2024 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

There was no discussion on this agenda item.

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 97.45% 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 two tapline repairs on La Puente Drive and Winkleman Road, sanitary manhole repairs on Vista Del Mar Drive, Escondido Drive, and Leandra Drive. 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 Si Environmental has completed the lead and copper survey and submitted the results to VSE.

Mr. Smith reported the District's annual fire hydrant inspection was performed.

Mr. Smith presented and reviewed a proposal for the repair of the water plant's well motor in the amount of \$76,535.00. He stated Si Environmental is recommending the well motor be repaired in lieu of being replaced. Mr. Smith confirmed that the repair has a one-year warranty and that a claim will be filed with the District's insurance.

Mr. Smith presented a chart of recommended fee increases for the District's Rate Order and responded to Board members' questions and comments. The Board discussed the recommended fee increases. The Board deferred amending the Rate Order until the next regular meeting to review the recommended changes.

Mr. Smith presented and reviewed the results of the water valve survey. He then presented and reviewed a list of recommended repairs at a total cost of \$31,485.00. Discussion ensued regarding the water valve survey and recommended repairs.

The Board discussed the delinquent list report.

After review and discussion, Director Fowler moved to: (1) approve the operations report; (2) approve the proposal in the amount of \$76,535.00 for the repair of the well motor; and (3) approve the water valve survey and the recommended repairs in the amount of \$31,485.00.

Director Alwine seconded the motion, which was approved by unanimous vote.

HEARING ON TERMINATION OF UTILITY SERVICE

The Board conducted a hearing on the 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 a reason for non-payment. 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.

ENGINEER'S REPORT

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

Mr. Reed updated the Board regarding the construction of the Water Line Rehabilitation to serve Los Patios Section 1, Addicks Clodine Road, and Winkleman Road. He stated that a temporary bypass has been installed and the contractor has been working on pipe bursting the line along Winkleman.

Mr. Reed updated the Board regarding the District's Water Plant Chloramine Conversion project. He noted that plans are currently pending Texas Commission on Environmental Quality ("TCEQ") approval.

Mr. Reed reported that Harris County Precinct No. 4 ("HCP4") has reviewed and provided comments on ABHR's and VSE's comments to the Interlocal Agreement (the "Agreement") for the District's 2023 call for projects awarded application. Discussion ensued regarding HCP4's accepted changes and the District's proposed obligations under the Agreement.

Mr. Reed reported that Bond Application No. 9 has been submitted to the TCEQ.

Mr. Reed reported on certain concerns with the water plant lighting and stated that VSE has notified Si Environmental of the lighting concerns.

After review and discussion, Director Fowler moved, based on the engineer's recommendation, to: (1) approve the engineer's report; and (2) approve the Call for Projects 2023 Interlocal Agreement with HCP4. Director Alwine seconded the motion, which was approved by a vote of 3-0. Director Billings abstained.

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 MATTERS ("WHCRWA")

The Board Discussed WHCRWA matters.

GREATER MISSION BEND AREA COUNCIL

Director Billings updated the Board on Greater Mission Bend Area Council matters.

MISSION BEND GREENBELT ASSOCIATION MATTERS

The Board discussed Mission Bend Greenbelt Association 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.

Ms. Mihills presented a draft operating budget for fiscal year ending September 30, 2025, a copy of which is included in the bookkeeper's report. She requested that the Board and the District's consultants review the draft budget and contact her with any revisions prior to the Board's September meeting. The Board discussed the draft budget for fiscal year end September 30, 2025 and upcoming projects that may impact the budget.

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 Alwine seconded the motion, which was approved by unanimous vote.

REVIEW ARBITRAGE REBATE REPORT FOR THE SERIES 2019 BONDS

Ms. Higgins reviewed OmniCap Group LLC's ("Omnicap") arbitrage rebate and yield restriction calculations for the District's Series 2019 Bonds and reported that, according to OmniCap, no rebate is due to the Internal Revenue Service at this time.

Director Billings reported on community event planning matters. She stated the community event planning committee is comprised of three Directors and that she would coordinate with ABHR on committee meeting dates so that a notice is posted.

The Board directed Si Environmental to request a proposed amendment to the agreement from Jani King of Rocket Franchising, Inc. that includes the annual Consumer Price index increase.

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


Secretary, Board of Directors



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