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MINUTES CHELFORD ONE MUNICIPAL UTILITY DISTRICT OF HARRIS COUNTY, TEXAS

September 16, 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 16th day of September 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:

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| 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”); Spencer Day of Masterson Advisors, LLC (“Masterson”); 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 August 19, 2024, regular meeting, and the August 6, 2024, and August 12, 2024, special meetings. After review and discussion, Director Billings moved to approve the minutes of the August 19, 2024, regular meeting, and the minutes of the August 6, 2024, and August 12, 2024, special meetings, as presented. Director Alwine 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 theft, forgery, and property damage in the District.

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

Mr. Dunn reported that On-Site contacted the office of Commissioner Dexter McCoy of Fort Bend County Precinct No. 4 to request that the data used for the Fort Bend County security matters report be made available. Director Alwine stated that she would also contact the Fort Bend County Sheriff's Foundation about the matter.

The Board inquired about commercial vehicles parking in the District's neighborhoods. Discussion ensued, and the Board requested that On-Site coordinate with Harris County to request signage prohibiting commercial vehicles from remaining parked along the thoroughfares in the District.

AUTHORIZE AUDITOR TO CONDUCT AUDIT

The Board considered authorizing McCall Gibson Swedlund Barfoot PLLC ("MGSB") to prepare the District's audit for the fiscal year ending September 30, 2024. After discussion, Director Billings moved to authorize MGSB to prepare the District's audit for the fiscal year ending September 30, 2024. The motion was seconded by Director Alwine, which was approved by unanimous vote.

TAX ASSESSOR/COLLECTOR'S REPORT

The Board reviewed 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, noting that as of August 31, 2024, 97.4% 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 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

The Board considered the District's 2024 tax rate. Mr. Day distributed and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2024 water, sewer, and drainage debt service tax rate of \$0.307 per \$100 of assessed valuation, based on the District's initial 2024 certified value of \$350,886,008. A

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copy of the debt service tax rate analysis is attached. The Board then discussed the District's operation and maintenance tax rate. Mr. Day discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Billings moved to: (1) set the public hearing date for October 21, 2024; and (2) authorize the tax assessor/collector to publish notice in the *Houston Chronicle* of the District's meeting on October 21, 2024, to set the proposed 2024 total tax rate of \$0.46 per \$100 of assessed valuation, with \$0.307 allocated for debt service on water, sewer, and drainage bonds and \$0.153 allocated for operations and maintenance. Director Fowler seconded the motion, which passed unanimously.

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 98.02%, and he discussed repairs performed at the Mission Bend Integrated Water System.

Mr. Smith reviewed the repairs and maintenance performed at the District's water distribution system, sanitary sewer collection system, and water plant facilities during the month, including a tapline repair at 15511 Monte Vista Drive, replacement of a leaking U-Branch on La Granada Drive, and replacement of illegal dumping signs throughout the District.

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

The Board considered the proposed amendments to the District's Rate Order. Mr. Smith responded to Board members' questions and comments regarding the proposed changes, and discussion ensued.

The Board discussed the delinquent list report.

After review and discussion, Director Alwine moved to: (1) approve the operations report; and (2) approve the amended Rate Order, as presented. Director Fowler 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

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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 Alwine 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 they 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 Fowler 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 on the Water Line Rehabilitation to serve Los Patios Section 1, Addicks Clodine Road, and Winkelman Road. He reviewed and recommended approval of Pay Estimate No. 5 in the amount of \$543,969.50, payable to Aranda Industries, LLC ("Aranda"). He reviewed and recommended approval of Change Order No. 1 to the contract to increase the contract in the amount of \$114,189.00. The Board determined that Change Order No. 1 is beneficial to the District.

Mr. Reed then discussed the water outage residents reported prior to the Board meeting. He noted the water outage was due to two water valves that were accidentally closed by Aranda along Addicks Clodine Road and Winkelman Drive, respectively. The Board discussed implementing measures to prevent such accidental closures and how to best notify residents of any future unexpected incidents. Mr. Reed stated that VSE will discuss the implementation of preventative measures, as requested, for the remainder of the project. The Board then requested a proposal from Off Cinco to update the District's subscriber count annually to improve the process of sending emergency notifications to subscribers in the District.

Mr. Reed next updated the Board on the District's Water Plant Chloramine Conversion project. He noted that the plans received Texas Commission on Environmental Quality ("TCEQ") approval. He stated that VSE anticipates advertising for bids in the first quarter of 2025.

Mr. Reed reported that the Harris County Precinct No. 4 ("HCP4") Interlocal Agreement for the District's 2023 call for projects awarded application has been fully executed, and that VSE will assist HCP4 as appropriate.

Mr. Reed next reported that Bond Application No. 9 has been approved by the TCEQ.

Mr. Reed updated the Board on the water plant lighting, noting that the repairs are complete.

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After review and discussion, Director Fowler moved, based on the engineer's recommendations, to: (1) approve the engineer's report; (2) approve Pay Estimate No. 5 in the amount of \$543,969.50; and (3) approve Change Order No. 1 in the amount of \$114,189.00 as an increase to the contract with Aranda, based upon the Board's findings that the Change Order is beneficial to the District. Director Alwine seconded the motion, which was approved unanimously.

SERIES 2024 UNLIMITED TAX BONDS

Mr. Day discussed procedures and the proposed schedule for issuance of the District's \$6,075,000 Unlimited Tax Bonds, Series 2024 ("Series 2024 Bonds").

Mr. Day presented and reviewed the Preliminary Official Statement and Official Notice of Sale for the Series 2024 Bonds with the Board.

The Board considered engaging Standards & Poor's ("S&P") to perform a credit rating analysis for the Series 2024 Bonds.

The Board considered appointing The Bank of New York Mellon Trust Company, N.A., as the Paying Agent/Registrar for the Series 2024 Bonds.

The Board considered authorizing advertisement for sale of the Series 2024 Bonds, and scheduling the bond sale for October 21, 2024, at 11:30 a.m.

Following review and discussion, Director Alwine moved to: (1) approve the Preliminary Official Statement and Official Notice of Sale for the Series 2024 Bonds; (2) engage S&P to perform a credit rating analysis for the Series 2024 Bonds; (3) appoint The Bank of New York Mellon Trust Company, N.A., as the Paying Agent/Registrar for the Series 2024 Bonds; and (4) authorize Masterson to advertise the sale of the Series 2024 Bonds and schedule the bond sale for October 21, 2024, at 11:30 a.m. Director Fowler seconded the motion, which passed unanimously.

MISSION BEND INTEGRATED WATER SYSTEM ("MBIWS") MATTERS

Mr. Reed updated the Board on MBIWS matters. Discussion ensued.

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CHELFORD CITY REGIONAL WASTEWATER TREATMENT PLANT (“WWTP”) MATTERS

Mr. Reed updated the Board on Chelford City Regional WWTP matters. Discussion ensued.

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

Mr. Cortez presented the bookkeeper’s report, including a quarterly investment report, and invoices presented for payment. A copy of the bookkeeper’s report is attached.

Mr. Cortez then presented a draft operating budget for fiscal year end September 30, 2025, a copy of which is included in the bookkeeper’s report. 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: (1) approve the bookkeeper’s report and quarterly investment report, including payment of the invoices as presented and discussed; and (2) adopt the budget for fiscal year ending September 30, 2025. Director Alwine seconded the motion, which was approved by unanimous vote.

DISCUS COMMUNITY MUD EDUCATION EVENT AND TAKE APPROPRIATE ACTION

All participants of the meeting except for Director Billings, Fowler, and Alwine left the meeting.

Discussion ensued regarding the community MUD education event.

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

(SEAL)

Secretary, Board of Directors

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