

MINUTES
CHELFORD ONE MUNICIPAL UTILITY DISTRICT
OF HARRIS COUNTY, TEXAS

October 21, 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 21st day of October 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: Alfred Segundo of On-Site Protection LLC ("On-Site"); Brenda McLaughlin of Bob Leared Interests, Inc.; Linda Castro of Off Cinco; Carlous Smith of Si Environmental, LLC; Taylor Reed of Vogler & Spencer Engineering Inc. ("VSE"); Anthea Moran of Masterson Advisors, LLC ("Masterson"); Mary Ann Mihills and Kyle Cortez of Municipal Accounts & Consulting, L.P.; and Adisa Harrington and Patrick Coleman 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 deferred action regarding this matter.

DISTRICT SECURITY MATTERS

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

Mr. Segundo updated the Board on Fort Bend County security matters, noting that the data for the report remains unavailable.

Director Alwine stated that people have been playing pickleball at the Mission Center Clubhouse late at night, disturbing surrounding residents. The Board directed On-Site to have their deputies monitor the area.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. McLaughlin 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. She noted that as of September 30, 2024, 97.8% of the District's 2023 taxes were collected. Ms. McLaughlin responded to Board members' questions and comments regarding homestead tax payment deferrals.

Following review and discussion, Director Fowler moved to approve the tax assessor/collector's report and authorize payment of checks drawn from the District's tax account. Director Alwine seconded the motion, which carried unanimously.

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 2024 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. Harrington presented an Order Levying Taxes (the "Order") reflecting the proposed 2024 tax rate. She then presented an Amendment to Information Form (the "Amendment") reflecting the tax rate and stated that the Amendment will be filed with the Texas Commission on Environmental Quality (the "TCEQ") and recorded in the Official Public Records of Harris County.

After review and discussion, Director Fowler moved to: (1) adopt the Order Levying Taxes reflecting a total 2024 tax rate of \$0.46 per \$100 of assessed valuation, comprised of \$.307 to pay debt service on water, sewer, and drainage bonds and \$0.153 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 Alwine seconded the motion, which carried unanimously.

SERIES 2024 UNLIMITED TAX BONDS

REVIEW BIDS AND AWARD SALE OF THE BONDS

Ms. Moran presented and reviewed the bids received for the sale of the District's \$6,075,000, Series 2024 Unlimited Tax Bonds (the "Bonds"). A summary of the bids received for the Bonds is attached. She stated that the low bid submitted by Raymond James & Associates, Inc. ("Raymond James") with a net effective interest rate of 4.125813% was reviewed and was found to be correct and consistent with the conditions in the Notice of Sale. Ms. Moran stated that the bids had been verified and recommended that the District accept the bid of Raymond James for the Bonds as submitted. Based on Ms. Moran's recommendation, Director Billings then moved to award the sale of the Bonds to Raymond James, with a net effective interest rate of 4.125813%. Director Fowler seconded the motion, which carried unanimously.

ADOPT RESOLUTION AUTHORIZING THE ISSUANCE OF THE BONDS

The Board next considered adopting a Resolution Authorizing the Issuance of the Bonds (the "Resolution"). Ms. Harrington reviewed the Resolution with the Board and explained that the document sets forth, among other items, the terms and provisions of issuance and delivery of the Bonds, the payment of principal and interest over the life of the Bonds, and certain District covenants regarding the tax-exempt status of the Bonds. After review, Director Fowler moved to adopt the Resolution. Director Alwine seconded the motion, which carried unanimously.

APPROVE PAYING AGENT/REGISTRAR AGREEMENT

Ms. Harrington reviewed the Paying Agent/Registrar Agreement with the Board. After review, Director Billings moved to approve the Paying Agent/Registrar Agreement with The Bank of New York Mellon Trust Company, N.A. Director Fowler seconded the motion, which carried unanimously.

APPROVE OFFICIAL STATEMENT

The Board next considered approving the Official Statement for the Bonds. Ms. Moran explained that the Preliminary Official Statement will be updated to reflect the terms of the sale, including the purchaser, interest rates, and debt service requirements. Director Fowler then moved to approve the Official Statement. Director Alwine seconded the motion, which carried unanimously.

EXECUTION OF CERTIFICATE REGARDING PROVISION OF FINANCIAL ADVICE

Ms. Harrington presented and reviewed with the Board a Certificate Regarding Provision of Financial Advice (the "Certificate"). After review and

discussion, Director Billings moved to authorize execution of the Certificate and direct that it be filed appropriately and retained in the District's official records. Director Alwine seconded the motion, which carried unanimously.

AUTHORIZE BOARD OF DIRECTORS TO SIGN ALL DOCUMENTS RELATING TO THE BOND SALE, AND AUTHORIZE ATTORNEY AND FINANCIAL ADVISOR TO TAKE ALL NECESSARY ACTION TO DELIVER BONDS TO PURCHASER

The Board next considered authorizing the Board of Directors to sign all documents relating to the sale of the Bonds and authorizing the attorney and the financial advisor to take all necessary steps to deliver the Bonds to the purchaser. After discussion, Director Billings moved to authorize the Board of Directors to sign all documents relating to the sale of the Bonds and authorize ABHR and Masterson to take all necessary steps to deliver the Bonds to the purchaser. Director Alwine seconded the motion, which carried unanimously.

APPROVE PAYMENT TO ATTORNEY GENERAL RELATING TO BOND ISSUE TRANSCRIPT REVIEW

Ms. Harrington stated that it will be necessary for the District to submit payment to the Attorney General of Texas relating to the bond issue transcript review. Following review and discussion, Director Billings moved to approve payment to the Attorney General of Texas relating to the bond issue transcript review. Director Fowler seconded the motion, which carried unanimously.

AMENDMENT TO INFORMATION FORM

Ms. Harrington stated that the District's Information Form must be amended to reflect the updated total amount of bonds sold by the District. She then reviewed the Amendment to Information Form with the Board. After review and discussion, Director Fowler moved to authorize execution of the Amendment to Information Form and directed that it be filed appropriately and retained in the District's official records. Director Alwine seconded the motion, which carried 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. He reported that the water accountability for the month was 97.13%. 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 tapline repairs, valve replacements, monthly end-

of-the-line flushing, Accurate leak detection survey, and Accurate meter testing for commercial meters.

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. Mr. Smith responded to Board members' questions regarding maintenance performed on the District's water distribution system, sanitary sewer collection system, and water plant facilities. He noted that the valve replacement was listed at Bellaire & Addicks Clodine in error and that the project manager report will be updated to reflect the correct address.

The Board discussed the delinquent list report. Mr. Smith responded to Board members' questions and comments regarding delinquent accounts.

Ms. Castro presented a proposal for updating the District's text alert system, a copy of which is attached, and answered questions from the Board. The Board discussed the proposal and the various enrollment methods. The Board concurred to proceed with the "opt-out" method to enroll District residents. Next, the Board discussed promoting the District's community education event and directed Off Cinco to post a flyer on the District's website.

After review and discussion, Director Billings moved to: (1) approve the operations report, as amended; (2) approve the proposal from Off Cinco, as presented above, and direct Off Cinco to post a flyer on the District's website. Director Alwine seconded the motion, which carried unanimously.

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 Billings 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 carried unanimously.

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 project to serve Los Patios Section 1, Addicks Clodine Road, and Winkleman Road. He reviewed and recommended approval of Pay Application No. 6 in the amount of \$209,441.05, payable to Aranda Industries, LLC ("Aranda").

Mr. Reed updated the Board on the District's water plant chloramine conversion project. He noted that contract 28 is under design and will initially provide water to Mission Bend Municipal Utility District No. 2, and that VSE anticipates advertising for bids in the first quarter of 2025.

Mr. Reed reviewed the plans and specifications and requested the Board authorize VSE to advertise for bids for the water line rehabilitation project to serve Mission Bend Section 1. He then requested the Board authorize VSE to begin designing the water line rehabilitation projects to serve Bellaire Boulevard and Mission Bend Section 12.

Mr. Reed stated there were no updates on the Harris County Precinct No. 4 Interlocal Agreement for the District's 2023 call for projects.

Mr. Reed updated the Board on Bond Application No. 9, noting VSE's receipt of the TCEQ staff memo approving the bond application.

Mr. Reed updated the Board on certain lighting repairs at the District's water plant. He stated that he spoke with Ramon Castillo of Si Environmental and Andrew Dunn of On-Site. They felt that the lighting was adequate. Director Billings requested one more review of the site, at night, before accepting that the current lighting is sufficient. The Board directed VSE to schedule an evening tour of the wastewater treatment plant to determine if additional lighting is needed. The Board and Mr. Reed discussed various dates and times. Following discussion, the Board concurred to further discuss tour dates at the November meeting and directed VSE to present a list of options.

After review and discussion, Director Billings moved to: (1) approve the engineer's report; (2) approve Pay Application No. 6 in the amount of \$209,441.05, payable to Aranda, based on VSE's recommendation; (3) approve the plans and specifications and authorize VSE to advertise for bids for the water line rehabilitation project to serve Mission Bend Section 1; (4) authorize VSE to begin the designs for the water line rehabilitation projects to serve Bellaire Boulevard and Mission Bend Section 12; and (5) direct VSE to present a list of tour date options at the November meeting. Director Fowler seconded the motion, which carried unanimously.

MISSION BEND INTEGRATED WATER SYSTEM ("MBIWS") MATTERS

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

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")

Director Billings updated the Board on WHCRWA matters.

GREATER MISSION BEND AREA COUNCIL

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

MISSION BEND GREENBELT ASSOCIATION MATTERS

Director Billings updated the Board on Mission Bend Greenbelt Association matters. Discussion ensued.

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 updates were necessary at this time. Following review and discussion, Director Alwine 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 Fowler seconded the motion, which carried unanimously.

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. Harrington reviewed a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Brokers/Dealers with whom the District May Engage in Investment Transactions (the "Resolution"). Following review and discussion, Director Alwine moved to adopt the Resolution and direct that the Resolution be filed appropriately and retained in the District's official records. Director Fowler seconded the motion, which carried unanimously.

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.

Following 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 carried unanimously.

ARBITRAGE REBATE REPORT FOR SERIES 2019A REFUNDING BONDS

The Board reviewed the arbitrage rebate report, prepared by Omnicap Group, LLC, for the District's Series 2019A Refunding Bonds. Ms. Harrington stated that no payment is owed to the Internal Revenue Service. Following discussion, the Board concurred to accept the report.

DISCUSS COMMUNITY EDUCATION EVENT AND TAKE APPROPRIATE ACTION

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

The Board discussed the District's community education event. No action was taken.

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



Shinitta Billing
Secretary, Board of Directors

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