

CAMFIELD MUNICIPAL UTILITY DISTRICT
Minutes of Special Meeting of Board of Directors
September 29, 2023

The Board of Directors of Camfield Municipal Utility District ("the "Board") met in special session on September 29, 2023, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted officers and members of said Board of Directors, as follows:

Sandra Santa Maria, President
Pamela R. Peaco, Vice President
Donna L. Rybiski, Secretary
James B. Morris, III, Assistant Secretary

and all of said persons were present, except Director Rybiski, thus constituting a quorum.

Also present were Jared Stewart of Traders Village; Vanessa Herrera of Municipal Accounts & Consulting, LP ("MAC"); Emma Highberger of Wheeler & Associates, Inc. ("Wheeler"); Tina Felkai of Inframark, LLC ("Inframark"); and Katherine Blasio and Melia Berry of Schwartz, Page & Harding, L.L.P. ("SPH").

The President called the meeting to order and declared it open for such business as might regularly come before it.

PUBLIC COMMENTS

The Board began by opening the meeting for public comments. Ms. Blasio queried Mr. Stewart as to whether he wanted to address the Board now or wait until later in the meeting. Mr. Stewart noted that he would wait until either the Operations Report or Developer's Report. There being no public comments presented, the Board continued to the next item of business.

APPROVAL OF MINUTES

The Board reviewed the minutes of its meeting held on July 20, 2023. After discussion of the minutes presented, Director Morris moved that such minutes be approved, as presented. Director Santa Maria seconded said motion, which unanimously carried.

2023 TAX RATE RECOMMENDATION

There next followed a discussion concerning the 2023 tax rate and the requirements for providing notice of the District's intent to adopt same. Ms. Blasio advised that, pursuant to Texas Water Code, Section 49.236, as amended, the District is required to provide a notice containing certain tax-related information in connection with each meeting at which the adoption of a tax rate will be considered. Ms. Blasio further advised that the information to be included in the notice is set forth in the Water Code and includes the proposed tax rate to be adopted. She advised that the District must provide the notice by either (1) publishing it at least once in a

newspaper having general circulation in the District at least seven days before the date of the meeting at which the tax rate will be adopted, or (2) mailing it to each owner of taxable property in the District, at the address shown on the most recently certified tax roll of the District, at least ten (10) days before the date of the meeting. Ms. Blasio then presented to and reviewed with the Board a recommendation prepared by the District's financial advisor, Masterson Advisors LLC, regarding the proposed 2023 tax rate, a copy of such recommendation is attached hereto as **Exhibit A**. After discussion, Director Peaco moved to approve a proposed 2023 maintenance tax rate of \$0.50 per \$100 of assessed valuation and to authorize the District's tax assessor-collector to publish notice of the District's intention to adopt a 2023 tax rate of \$0.50 per \$100 of assessed valuation at its next meeting in the form and at the time required by law. Director Santa Maria seconded said motion, which carried unanimously.

BOOKKEEPER'S REPORT AND QUARTERLY INVESTMENT REPORT

Ms. Herrera presented to and reviewed with the Board the Bookkeeper's Report dated September 29, 2023, a copy of which report is attached hereto as **Exhibit B** including the disbursements presented for payment. Ms. Herrera then presented a Quarterly Investment Report for the reporting period ended August 31, 2023, a copy of which is attached to the Bookkeeper's Report. After discussion, Director Peaco moved that the Board: (i) approve the Bookkeeper's Report, including the checks presented for payment; (ii) approve the Quarterly Investment Report for the period ending August 31, 2023; and (iii) authorize the District's Investment Officer to sign the Quarterly Investment Report on behalf of the Board and the District. Director Santa Maria seconded said motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR REPORTS

The Board considered the Tax Assessor-Collector's Reports. In connection therewith, Ms. Highberger presented to the Board the Tax Assessor-Collector's Reports for July 31, 2023, and August 31, 2023, and a Delinquent Collections Listing as of the same dates (collectively, the "Tax Reports"). She then reviewed with the Board the August 31, 2023 Tax Report and Delinquent Listing Report, including the checks listed therein, which were presented for payment from the Tax Account. Copies of such reports are attached hereto as **Exhibit C**. After discussion of the reports submitted, it was duly moved by Director Peaco, seconded by Director Santa Maria and unanimously carried, that the Tax Assessor-Collector Reports be approved as presented, and that the disbursements identified therein be authorized for payment from the District's Tax Account.

DELINQUENT TAX REPORT

The Board deferred consideration of a Delinquent Tax Collection Attorney's Report.

ENGINEERING REPORT

The Board deferred discussion of the Engineer's Report as Ms. Blakemore reported that IDS had no engineering matters for the Board to consider this month.

OPERATIONS AND MAINTENANCE REPORT

The Board next considered the Operations and Maintenance Report. Ms. Felkai presented to and reviewed with the Board the Operations and Maintenance Reports for the months of June 2023 and July 2023; copies of the reports are attached hereto as **Exhibit D**.

Ms Felkai then explained the high water accountability was due to Chimney Hill Municipal Utility District performing additional flushing of the system in order to remove residuals from the system. She noted that no pre-notification was provided by Chimney Hill Municipal Utility District prior to the flushing.

Ms. Felkai then presented to and reviewed with the Board Delinquent Reports for the months from July 2023 and August 2023; copies of such reports are attached to the Operations and Maintenance Report.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY (THE "WHCRWA") STATUS OF DROUGHT CONDITIONS

Ms. Blasio next reported the receipt of a Notice from the West Harris County Regional Water Authority (the "WHCRWA") informing the Board of its implementation of Stage 2 of its Drought Contingency Plan (the "DCP") effective as of September 6, 2023. Ms. Blasio noted that Stage 2 of the WHCRWA's DCP asks for voluntary action by its participants. Ms Felkai then discussed the District's well times. After discussion, the Board concurred to continue to implement Stage 1 of the District's DCP. A copy of the notice is attached hereto as **Exhibit E**.

Ms. Blasio then reported that the WHCRWA has notified the District that it does not anticipate increasing its 2024 ground water reduction and surface water fees. A copy of the notice is included in **Exhibit E**.

TRADER VILLAGE APPEAL

In connection with the discussion at the last Board meeting regarding a leak on Trader Village's side of the water meter resulting in several months of high water bills and Trader Village's request for assistance regarding such bills, Mr. Stewart reported on the discussions he has had with the management of Trader's Village, and then presented to and reviewed with the Board a Billing History Comparison Report for 2022/2023 (the "Report"), a copy of which Report is attached hereto as **Exhibit F**. Such Report includes a request for reimbursement of \$128,527.30. After discussion, the Board concurred to defer consideration of the matter until the October Board meeting to provide Inframark and SPH the opportunity to review the information included in the Report.

CHIMNEY HILL WATER AND SANITARY SEWER RATE INCREASE - RATE ANALYSIS

In connection with a request made by the Board for the District's Bookkeeper and Operator to conduct a "rate analysis" in order to determine if the District's current water and sewer rates in its Rate Order are sufficient to fund the District's increased operating costs, Ms. Felkai presented to and reviewed with the Board a Proposed Rate Analysis. A copy of the

Proposed Rate Analysis is attached hereto as **Exhibit G**. Ms. Herrera requested time for MAC to review the Proposed Rate Analysis prior to implementation of new rates. After discussion, the Board concurred to defer consideration of the matter until the October Board meeting in order for MAC, SPH and Inframark to further discuss the proposed rates.

Ms. Blasio noted that the Rate Order amendment approved at the last Board meeting was not completed due to ongoing review and discussion of the rate analysis, and the Board will consider amending its Rate Order at the October Board meeting.

DEVELOPER'S REPORT

The Board next considered the Developer's Report. Mr. Stewart reported on the recent water leak repairs in the District.

CLOSED SESSION

Ms. Blasio advised the Board that it would not be necessary for the Board to convene in closed session.

ATTORNEY REPORT

The Board next considered the Attorney's Report. Ms. Blasio informed the Board that the next Board meeting is scheduled for Thursday, October 19, 2023, at 11:30 a.m. to set the District's 2023 tax rate. She further noted that the Board is scheduled to meet on Thanksgiving in November and queried the Board as to whether they could attend a meeting one week earlier on Thursday, November 16, 2023, at 11:30 a.m. Director Santa Maria informed the Board that she will not be able to attend the October Board meeting. After discussion, Ms. Blasio recommended that SPH send out an email to the Board with the upcoming meeting dates and alternate meeting dates to determine the dates where a quorum can be reached. The Board concurred with SPH's recommendation.

ITEMS FOR PLACEMENT ON FUTURE AGENDAS

The Board considered items for placement on future agendas. No other specific agenda items, other than routine and ongoing matters, were requested.

ADJOURNMENT

There being no further business to come before the Board, Director Morris moved that the meeting be adjourned. Director Santa Maria seconded said motion, which carried unanimously, and the meeting was adjourned.

(SEAL)

Secretary

LIST OF ATTACHMENTS

- Exhibit A 2023 Tax Rate Recommendation
- Exhibit B Bookkeeper's Report and Quarterly Investment Report
- Exhibit C Tax Assessor-Collector's Reports
- Exhibit D Operations and Maintenance Reports
- Exhibit E West Harris County Regional Water Authority Correspondence
- Exhibit F Trader's Village Billing History Comparison Report for 2022/2023
- Exhibit G Proposed Rate Analysis

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