

CAMFIELD MUNICIPAL UTILITY DISTRICT
Minutes of Meeting of Board of Directors
October 19, 2023

The Board of Directors of Camfield Municipal Utility District ("the "Board") met in regular session on October 19, 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, thus constituting a quorum.

Also present were Jared Stewart of Trader's 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 special meeting held on September 29, 2023. After discussion of the minutes presented, Director Morris moved that such minutes be approved, as presented. Director Peaco seconded said motion, which unanimously carried.

PUBLIC HEARING REGARDING ADOPTION OF THE DISTRICT'S PROPOSED 2023 TAX RATE

The Board conducted a hearing regarding the imposition of a proposed tax rate for 2023. It was noted that no taxpayer appeared at the hearing to address the Board regarding setting the 2023 tax rate and the hearing was closed.

LEVY OF THE DISTRICT'S 2023 TAX RATE

The Board then discussed the setting of the 2023 tax rate. Ms. Blasio noted that, according to Ms. Highberger, the notice had been published in the *Houston Chronicle* in accordance with all legal requirements and as directed at the previous meeting. After discussion on the matter, Director Rybiski moved that: (i) the Board adopt the tax rate as proposed at the District's September 29, 2023, meeting and as reflected in the notice, being a 2023 maintenance tax rate of \$0.50 per \$100 of valuation, and (ii) the Order Levying Taxes attached hereto as **Exhibit A** be adopted in connection therewith and that the President be authorized to execute and the Secretary to attest same on behalf of the Board and the District. Director Peaco seconded said motion, which carried unanimously.

APPROVAL AND EXECUTION OF AN AMENDMENT TO THE SECOND AMENDED AND RESTATED DISTRICT INFORMATION FORM

Ms. Blasio next presented and discussed with the Board an Amendment to the Second Amended and Restated District Information Form (the "District Information Form") relative to the District's 2023 tax rate. After discussion on the matter, Director Morris moved that the amended District Information Form be approved and that the Board members present be authorized to execute same on behalf of the Board and the District. Director Peaco seconded said motion, which carried unanimously.

BOOKKEEPER'S REPORT

Ms. Herrera presented to and reviewed with the Board the Bookkeeper's Report dated October 19, 2023, a copy of which report is attached hereto as **Exhibit B** including the disbursements presented for payment. After discussion, Director Peaco moved that the Board approve the Bookkeeper's Report, including the checks presented for payment. Director Santa Maria seconded said motion, which unanimously carried.

COMPLIANCE WITH TEXAS GOVERNMENT CODE, CHAPTER 2265, RELATIVE TO ENERGY REPORTING

Ms. Blasio next advised the Board that, pursuant to the energy efficiency and reporting requirements set forth in Texas Government Code, Chapter 2265, the District must (i) report its annual electricity usage and costs in an electronic format, and (ii) make that report publicly accessible. Ms. Herrera then presented for the Board's review an electricity utility usage and expense report in order to satisfy the requirements of Texas Government Code, Chapter 2265, a copy of which is attached to the Bookkeeping Report.

ANNUAL REVIEW OF ORDER ESTABLISHING POLICY FOR INVESTMENT OF DISTRICT FUNDS AND APPOINTING INVESTMENT OFFICER

The Board considered the review of its Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Investment Policy"), and the adoption of a Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and

Appointing Investment Officer (the "Resolution") in connection therewith. Ms. Blasio then discussed the proposed amendments to the Investment Policy. After discussion, Director Morris moved that the amended Investment Policy be approved to reflect the proposed changes, that the Board adopt the Resolution and that the President and Secretary be authorized to execute the Investment Policy and the Resolution on behalf of the Board and the District. Director Peaco seconded said motion, and with Directors Santa Maria, Peaco and Morris voting "aye" and Director Rybiski abstaining, the motion passed. The Resolution and Investment Policy are attached hereto as **Exhibit C**.

TAX ASSESSOR-COLLECTOR REPORT

The Board considered the Tax Assessor-Collector's Report. In connection therewith, Ms. Highberger presented to and reviewed with the Board the Tax Assessor-Collector's Report for September 30, 2023, and a Delinquent Collections Listing as of the same date (the "Tax Report"). A copy of such report is attached hereto as **Exhibit D**. After discussion, it was moved by Director Rybiski, seconded by Director Peaco and unanimously carried, that the Tax Assessor-Collector Report 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 the District's engineer was not in attendance at the meeting.

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 Report for the month of August 2023; a copy of the report is attached hereto as **Exhibit E**.

Ms Felkai noted the high water accountability (105.39%) and advised the Board that Inframark will request a proposal for recalibrating the commercial meters and will contact Chimney Hill Municipal Utility District ("Chimney Hill") to confirm that the interconnect meter is working properly.

TRADER'S VILLAGE APPEAL

In connection with the discussion at the last Board meeting regarding a leak on Trader's Village's side of the water meter resulting in several months of high water bills and Trader's Village's request for assistance regarding such bills, Mr. Stewart presented to and reviewed with the Board a revised Billing History Comparison Report from January to May 2022/January to May 2023 (the "Request"), a copy of such Request is attached hereto as **Exhibit F**. Such

Request includes a request for reimbursement of \$105,593. After discussion, the Board concurred to defer consideration of the matter until the end of the meeting to discuss the matter in closed session.

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 in connection with Chimney Hill's rate increases. Ms. Felkai and Ms. Blasio then presented to and reviewed with the Board Inframark's rate analysis including its proposed rate adjustments to the District's Rate Order. Ms. Herrera also presented MAC's budget analysis, including scenarios A and B, a copy of which is attached to the Bookkeeper's Report. Following discussion, Ms. Blasio requested the Board to consider amending the District's Rate Order to increase the water and sewer rates in accordance with Option B in the rate analysis, as recommended by Inframark, including: (i) increasing the District's commercial water minimum monthly charge for up to 10,000 gallons of water metered from \$72.60 to \$75.00; (ii) increasing the commercial water rate for each 1,000 gallons of water metered over 10,000 gallons from \$23.00 to \$28.00; and (iii) adding an additional tier to the commercial sanitary sewer rate to charge \$4.00 for each 10,000 gallons of water metered over 5,000 gallons. A copy of the rate analysis with the proposed rate adjustments is attached hereto as **Exhibit G**.

After discussion, it was moved by Director Rybiski, seconded by Director Morris and unanimously carried, that: (i) the District's Rate Order be amended with respect to the rate adjustments as discussed; and (ii) any and all Rate Orders heretofore adopted by the Board be revoked and the Rate Order be passed and adopted, subject to approval of same by SPH. The approved Rate Order is attached hereto as **Exhibit H**.

DEVELOPER'S REPORT

The Board next considered the Developer's Report. Mr. Stewart noted that he had nothing else to report.

CLOSED SESSION

The Board concurred to enter into Closed Session at 12:29 p.m. to discuss matters pursuant to Texas Government Code, Section 551.071. Those in attendance, with the exception of the Board, Ms. Blasio and Ms. Berry exited at this time.

RECONVENE IN OPEN SESSION

The Board then concurred to reconvene in Open Session at 12:45 p.m.

After discussion in closed session, Director Morris motioned to approve a \$50,000 credit to Trader's Village's utility bills to be applied over the following six (6) month period. Director Rybiski seconded the motion, which unanimously carried.

Director Rybiski exited the meeting at this time.

ATTORNEY REPORT

The Board next considered the Attorney's Report. Ms. Blasio reported the receipt of a request from Acclaim Energy to attend the next Board meeting to present an Energy Management Agreement. After discussion, the Board concurred to add the matter to the November agenda.

Ms. Blasio reminded the Board that the next Board meeting is scheduled for Thursday, November 16, 2023, at 11:30 a.m. Director Peaco informed the Board that she may not be able to attend the November Board meeting. After discussion, Ms. Blasio informed the Board that SPH will query the Board as to their availability to attend the November 16, 2023, Board meeting.

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 Santa Maria moved that the meeting be adjourned. Director Peaco seconded said motion, which carried unanimously, and the meeting was adjourned.

(SEAL)

Assistant Secretary

LIST OF ATTACHMENTS

- Exhibit A Order Levying Taxes
- Exhibit B Bookkeeper's Report
- Exhibit C Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer
- Exhibit D Tax Assessor-Collector's Report
- Exhibit E Operations and Maintenance Reports
- Exhibit F Trader's Village Revised Billing History Comparison Report for 2022/2023
- Exhibit G Rate Analysis and Proposed Rate Adjustment Summary
- Exhibit H Rate Order

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