

MINUTES
MISSION BEND MUNICIPAL UTILITY DISTRICT NO. 2

June 21, 2022

The Board of Directors (the "Board") of Mission Bend Municipal Utility District No. 2 (the "District") met in regular session, open to the public, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas 77027, outside the boundaries of the District, with supplemental access by teleconference available to the public, on the 21st day of June, 2022, and the roll was called of the members of the Board being present:

Judy Villagomez	President
Mary Bertrand	Vice President
Susan Land Johnson	Assistant Vice President
Marlene Weppler	Secretary
Leroy Eaglin	Assistant Secretary

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

Also attending in person were Deputy Charles Hill of the Harris County Sheriff's Office ("HCSO"); Susan Cita of TBG Partners ("TBG"); Vicki Busboom of VLB Bookkeeping Services; Lina Loaiza of Bob Leared Interests; Carlous Smith of Si Environmental, LLC ("Si"); Simon VanDyk of Touchstone District Services ("Touchstone"); and Christina Miller and Aidé Meza of Allen Boone Humphries Robinson LLP ("ABHR").

To provide additional access to members of the public, the District established a telephone option for District consultants and members of the public to listen to the meeting and to address the Board. On the telephone was Susan Land Johnson of the Board, who did not participate in deliberations or voting throughout the duration of the meeting.

PUBLIC COMMENTS

Director Villagomez offered any members of the public attending the meeting the opportunity to make a public comment. There being no members of the public requesting to make public comment, Director Villagomez moved to the next agenda item.

MINUTES

The Board considered approving the minutes of the May 17, 2022 (Regular), May 31, 2022 (Integrated), June 7, 2022 (Greenbelt), and June 13, 2022 (Chelford) meetings. Ms. Miller confirmed that there was no quorum at the June 7, 2022 (Greenbelt) meeting,

therefore there are no minutes for the meeting. Following review and discussion, Director Weppler moved to approve the May 17, 2022 (Regular), May 31, 2022 (Integrated), and June 13, 2022 (Chelford) minutes, as presented. Director Eaglin seconded the motion, which passed unanimously, with all directors voting “yea.”

SECURITY SERVICES MATTERS

REPORT FROM HCSO

The Board reviewed and acknowledged receipt of the May 2022 security services report from the HCSO, a copy of which is attached. Deputy Hill reported on recent criminal activity in the District, including a gun violence incident, an increase in domestic violence incidents, and an increase in catalytic converter theft incidents. Ms. Cita reported an observation of suspicious mail dumping near Little Villa Wetland Park (“LVWP”) in the District and transmitted photographs taken of the observation to Deputy Hill for further assessment. Following discussion, there was no action on this matter.

UPDATE ON INSTALLATION OF SIGNS PROHIBITING COMMERCIAL VEHICLES FROM PARKING OVERNIGHT

There was no discussion on this matter.

FINANCIAL AND BOOKKEEPING MATTERS

PAYMENT OF THE BILLS AND REVIEW OF INVESTMENTS

Ms. Busboom presented and reviewed the bookkeeping report, including the investment report, the budget comparison, and the list of checks for the Board’s approval. A copy of the bookkeeping report, including the investment report and budget comparison, is attached. Ms. Busboom reported on large investment account deposits during the previous month.

ADOPT AMENDED BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2022

Ms. Busboom reported that she amended the District’s current budget following the previous regular Board meeting to reconcile expenses and revenues. Director Bertrand inquired about the funds being reimbursed to the District’s general operating account from the recent Series 2022 Unlimited Tax Bond Sale (the “Series 2022 Bonds”) for engineering costs. Ms. Miller confirmed that certain engineering costs were eligible for reimbursement to the general operating account from the bond proceeds. Ms. Busboom further confirmed that the eligible amounts had been reimbursed to the operating account following funding of the Series 2022 Bonds. The Board tabled further action on amending the budget in order to give the Directors additional time to review the proposed modifications.

Following review and discussion, Director Bertrand moved to approve the bookkeeping report, the checks presented for payment, and the investment report. Director Weppler seconded the motion, which passed unanimously, with all directors voting “yea.”

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Loaiza presented and reviewed the monthly tax report, a copy of which is attached, reflecting that 98.6% of the District’s 2021 taxes were collected as of the end of May 2022. Ms. Loaiza reviewed the bills presented for payment including overpayment refunds and adjustments from the previous month. The Board discussed the preliminary 2022 tax values from the Harris County Appraisal District. Following review and discussion, Director Bertrand moved to approve the tax report and payment of the checks drawn on the District’s tax account, as presented. Director Eaglin seconded the motion, which passed unanimously, with all directors voting “yea.”

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTION OF DELINQUENT TAXES

The Board considered authorizing the District’s delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, L.L.P. (“Perdue Brandon”), to proceed with the collection of delinquent taxes owed to the District as of July 1, 2022. Following review and discussion, Director Bertrand moved to authorize Perdue Brandon to proceed with the collection of delinquent taxes outstanding as of July 1, 2022. Director Eaglin seconded the motion, which passed unanimously, with all directors voting “yea.”

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

The Board discussed the wastewater service capacity request from West Harris County Municipal Utility District No. 4 (“WHC MUD No. 4”). Ms. Miller reported that Langford Engineering, Inc. (“LEI”) has conducted an analysis of the Chelford RWTP capacity which is currently permitted at 11 million gallons/day (“MGD”) out of which the District is allocated 2.4926 MGD or 22.66% per the Chelford RWTF Capacity Agreement. Ms. Miller discussed that the analysis confirms that there is a difference of 0.8898 MGD that the District has been allocated that will not be utilized in the future and that could possibly be sold to WHC MUD No. 4, if the District finds appropriate. The Board reported that they did not receive the analysis from LEI and Ms. Miller stated that it will be circulated to the Board for review.

The Board discussed additional Chelford RWTP matters, including the previous report of a buffet restaurant in the District which was out of compliance in regards to wastewater effluent at the time of the previous regular Board meeting. Ms. Miller confirmed that LEI’s report states the buffet restaurant is now in compliance with the current Third Amended Order Establishing Rules and Regulations Concerning

Residential and Nonresidential Wastes (the "Third Amended Order"). Following discussion, there was no action on this matter.

OPERATION OF DISTRICT FACILITIES

Mr. Smith presented and reviewed the operations report from Si, a copy of which is attached, including routine and preventative maintenance and repairs in the District. Mr. Smith reported that water accountability was 98.61% in the previous month. Mr. Smith reported on the current connections in the District, water production and distribution repairs, tap line repairs, sanitary sewer maintenance, lift station maintenance, fire hydrant maintenance, and water well maintenance and repairs during the previous month. Mr. Smith reported on the replacement of a fire hydrant at 14902 Via Del Norte Drive during the previous month.

Director Bertrand inquired about the process for collaboration between the District's operator and the previous District engineer. Mr. Smith stated that Si will continue to provide maintenance services, including a proposal for the cleaning and televising of the sanitary sewer lines. He stated that the proposal will be presented to the Board at the next regular meeting. The Board discussed projects that should be finished by LEI prior to their termination with the District and projects that should be addressed by the new District engineer once a new engineer is chosen by the Board. Director Villagomez expressed her belief that LEI should finish certain capital improvement projects. Following discussion, the Board concurred unanimously to direct ABHR to transmit correspondence to LEI asking them to complete certain pending capital improvement projects including the permanent generator project and the water plant no. 2 - GST No. 1 and 2 recoating project.

HEARING REGARDING TERMINATION OF WATER AND SEWER SERVICE

Mr. Smith presented and reviewed a list of delinquent customers to the Directors and reported the residents 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 the meeting of the opportunity to appear before the Board to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment. Mr. Smith reviewed the timeline of the delinquencies, including the date of notice letters, door hangers, and scheduled terminations.

Director Wepler inquired about the residential customer reconnection fee for previously terminated water accounts. Mr. Smith indicated that a fee of \$25.00, is charged in the next billing cycle for reconnecting residential customers to the District's water service line.

Following review and discussion, and based upon the operator's recommendation, Director Bertrand moved to: (1) approve the operations report, as

presented; and (2) authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Wepler seconded the motion, which passed unanimously, with all directors voting "yea."

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("WHCRWA") MATTERS

The Board discussed WHCRWA matters. Following discussion, there was no action on this matter.

ENGINEERING MATTERS

The Board reviewed the engineering report, a copy of which is attached.

UPDATE ON STAND-BY GENERATOR

The Board discussed the approved lease agreement for the District's stand-by generator with NTS Rentals, LLC. They noted that the engineer's report indicates nothing new to report at this time.

UPDATE ON DESIGN OF PERMANENT GENERATORS

The Board discussed the status of design of the permanent generators for the District. They noted that the engineer's report indicates that plans for the generators and for water plant improvements are awaiting comments from agency review.

UPDATE ON SANITARY SEWER CLEANING AND TELEVISIONING PROJECT

The Board discussed the District-wide sanitary sewer cleaning and televising project. Mr. Smith restated that a proposal for Phase I of the sanitary sewer cleaning and televising project will be presented to the Board at the next regular meeting for review and consideration.

UPDATE ON IMPLEMENTATION OF MISSION BEND INTEGRATED WATER SYSTEM ("MBIWS") WATER DISTRIBUTION MODELING AND ANALYSIS SOFTWARE

The Board discussed commercial locations that were out of compliance with the Third Amended Order at the time of the last regular Board meeting. They noted that the engineer's report indicates that two commercial locations are now in compliance and violation notices did not have to be transmitted to the locations in the previous month.

The Board discussed the integrated water system model of the MBIWS water distribution, including modeling and analysis software. They noted that the engineer's report indicates the modeling is underway by Vogler & Spencer Engineering, Inc. and that there is nothing new to report at this time.

UPDATE ON RECOATING OF GROUND STORAGE TANK NO. 1 AND NO. 2 AT WATER PLANT NO. 2

The Board discussed the recoating project to serve ground storage tank no. 1 and ground storage tank no. 2 at water plant no. 2. They noted that the engineer's report indicates that plans will be ready for agency review next month.

Following review and discussion, Director Bertrand moved to approve the engineer's report, as presented. Director Eaglin seconded the motion, which passed unanimously, with all directors voting "yea."

PARK AND RECREATIONAL FACILITY MATTERS

Ms. Cita presented a report regarding the District's parks and recreational facilities, a copy of which is attached.

MAGNOLIA PARK MAINTENANCE

Ms. Cita reported on pressure washing within the District. She stated there are no new invoices for approval this month.

Ms. Cita updated the Board on the pre-cast column cap washing project. Ms. Cita presented and recommended for approval invoice no. 778 in the amount of \$1,320.00, submitted by Katy Pressure Washing Pros.

Ms. Cita updated the Board on lighting maintenance and repairs by Express Electrical Services, Inc. ("Express Electrical"). She stated there are no electrical items to report at this time.

Ms. Cita reported on the general landscape maintenance invoices for Magnolia Park from Custom Scapes that have been authorized for payment by the Board. She presented and reviewed invoice no. 2773 for monthly District landscape maintenance in the amount of \$7,023.75, invoice no. 2771 for monthly maintenance and mowing of Reserve E in Terra Del Sol, Section 7 in the amount of \$600.00, and invoice no. 2768 for facility mowing in the amount of \$434.00, copies of which are attached to the parks and recreational facilities report.

Ms. Cita presented and recommended for approval invoice no. 2774 in the amount of \$500.00, for the Bellaire Boulevard backflow preventor replacement; invoice no. 2775 in the amount of \$275.00, for irrigation repairs on Sierra Blanca

Drive; invoice no. 2776 in the amount of \$292.00, for irrigation repairs along the Presidio Square Boulevard median; invoice no. 2777 in the amount of \$190.00, for a broken irrigation pipe on the Tres Lagunas Drive median near Bellaire Boulevard; and invoice no. 2778 in the amount of \$255.00, for irrigation repairs on the Tres Lagunas Drive median.

Ms. Cita updated the Board on the quad-rider repair at Magnolia Park. Ms. Cita presented and recommended for approval invoice no. H22047-1 in the amount of \$668.00, submitted by Hoggatt, LP (“Hoggatt”).

Ms. Cita presented and recommended additional estimates for approval from Custom Scapes, including estimate no. 1493 in the amount of \$255.00, for irrigation repairs at Tres Lagunas Drive near Bellaire Boulevard; estimate no. 1494 in the amount of \$190.00, for irrigation repairs at Tres Lagunas Drive near Alief Clodine Road; estimate no. 1495 in the amount of \$292.00, for irrigation repairs on Presidio Square Boulevard; estimate no. 1496 in the amount of \$275.00, for irrigation repairs on Sierra Blanca Drive; and estimate no. 1497 in the amount of \$890.00, for irrigation repairs on Estrada Drive, Mission Bell Drive, and Magnolia Park.

Ms. Cita updated the Board on the Phase III improvements project. She stated that TBG is performing discovery phase tasks and that a site visit with the design team was conducted on June 14, 2022.

MISSION BEND GREENBELT TRAIL (“TRAIL”) IMPROVEMENTS PROJECT

Ms. Cita updated the Board on the Pedestrian Bridge dedication plaque. She recommended approval of a construction contract with RS Industrial Arts, LLC (“RS Industrial”) in the total amount of \$16,279.10, subject to ABHR review and finalization regarding the legal terms.

Ms. Cita updated the Board on the Trail improvements project. She presented and recommended for approval Pay Application No. 13 in the amount of \$5,369.17, submitted by D.L. Meacham, LP (“D.L. Meacham”), for work completed through May 31, 2022. Ms. Cita stated D.L. Meacham is completing punch list items.

Ms. Cita updated the Board on the Trail project, including the west side Phase III improvements. She reported that TBG is performing discovery phase tasks. Ms. Cita requested the Board consider authorizing a request for proposals for civil survey services.

LVWP IMPROVEMENTS

Ms. Cita reported on the screen planting landscape and irrigation project at LVWP. She stated that design documents are on hold.

Ms. Cita updated the Board on the planting at Littlefield Memorial Plaza. She reported that Custom Scapes has completed the planting and that there is nothing new to report at this time.

Ms. Cita updated the Board on cattail control and removal at LVWP. She stated that cattail removal is underway, and that Custom Scapes has completed approximately 75% of the cattail removal which should be completed by mid-July.

Ms. Cita reported on design and installation of the western park boundary fence at LVWP. She stated that the church has illegally encroached on the LVWP property, a copy of the fence design plan is attached to the parks and recreational facilities. Ms. Miller stated that the District's new engineer will need to supply metes and bounds descriptions for the District's property in order to draft the appropriate easement or encroachment agreement.

Ms. Cita restated TBG's recommendation to approve a construction contract with RS Industrial in the total amount of \$16,279.10, subject to ABHR review and finalization of the legal terms, for the manufacture and installation of the Pedestrian Bridge dedication plaque, as well as the LVWP rules signs.

Ms. Cita reported on the general landscape maintenance invoice for LVWP from Custom Scapes that has been authorized for payment by the Board. She presented and reviewed invoice no. 2769 for monthly maintenance at LVWP in the amount of \$3,320.00. She reported that there are no additional estimates from Custom Scapes at this time.

Ms. Cita reported on camera data recorder matters at LVWP. She stated that Today's Integration, Inc. ("Today's Integration") has submitted estimate no. 22100 in the amount of \$4,304.60, for the replacement of a camera data recorder due to a lighting strike. She recommended approval of the estimate, as presented.

The Board discussed differential settling and buckling near the mosaic at LVWP. Director Villagomez expressed her belief that the project should be addressed following the summer months, due to heat concerns. Ms. Cita recommended using a beveling action to correct the settling and buckling issue at this time.

PROPOSED DISTRICT RECREATIONAL IMPROVEMENTS PROJECT

Ms. Cita updated the Board on the previously approved proposals for Professional Design Services from TBG. She stated designs are underway.

UPDATE REGARDING PREPARATION OF BOND APPLICATION NO. 11

Ms. Cita updated the Board on bond application no. 11. She reported that TBG has transmitted information for review and inclusion in the bond application report.

Ms. Cita discussed the possibility of soliciting bids for park and District-wide landscape and maintenance services in the future to confirm that current pricing is adequate due to material and labor price increases.

Following review and discussion, and based upon the landscape architect's recommendation, Director Bertrand moved to: (1) approve the parks and recreational facilities report, as presented; (2) approve invoice no. 778 in the amount of \$1,320.00, for pre-cast column cap pressure washing by Katy Pressure Washing Pros; (3) approve the general landscape, maintenance, and repair invoices for Magnolia Park by Custom Scapes that were authorized for payment by the Board, as presented; (4) approve invoice no. 2774 in the amount of \$500.00, for the Bellaire Boulevard backflow preventor replacement; invoice no. 2775 in the amount of \$275.00, for irrigation repairs on Sierra Blanca Drive; invoice no. 2776 in the amount of \$292.00, for irrigation repairs along the Presidio Square Boulevard median; invoice no. 2777 in the amount of \$190.00, for a broken irrigation pipe on the Tres Lagunas Drive median near Bellaire Boulevard; and invoice no. 2778 in the amount of \$255.00, for irrigation repairs on the Tres Lagunas Drive median by Custom Scapes; (5) approve invoice no. H22047-1 in the amount of \$668.00, for the quad-rider repair at Magnolia Park by Hoggatt; (6) approve estimate no. 1493 in the amount of \$255.00, for irrigation repairs at Tres Lagunas Drive near Bellaire Boulevard; estimate no. 1494 in the amount of \$190.00, for irrigation repairs at Tres Lagunas Drive near Alief Clodine Road; estimate no. 1495 in the amount of \$292.00, for irrigation repairs on Presidio Square Boulevard; estimate no. 1496 in the amount of \$275.00, for irrigation repairs on Sierra Blanca Drive; and estimate no. 1497 in the amount of \$890.00, for irrigation repairs on Estrada Drive, Mission Bell Drive, and Magnolia Park by Custom Scapes; (7) approve a construction contract with RS Industrial in the total amount of \$16,279.10, subject to ABHR review and finalization of the legal terms, for the manufacture and installation of the Pedestrian Bridge dedication plaque, as well as the LVWP rules signs; (8) approve Pay Application No. 13 in the amount of \$5,369.17, from D.L. Meacham for the Trail Improvements project; (9) authorize a request for proposals for civil survey services for the west side Phase III Trail project; (10) approve the general landscape, maintenance, and repair invoice for LVWP by Custom Scapes that was authorized for payment by the Board, as presented; and (11) approve estimate no. 22100 in the amount of \$4,304.60, for replacement of a

camera data recorder at LVWP by Today's Integration. Director Weppler seconded the motion, which passed unanimously, with all directors voting "yea."

DISTRICT TECHNOLOGY MATTERS

UPDATE ON THE DISTRICT'S WEBSITE AND IMPLEMENTATION OF THE EMERGENCY MESSAGING SYSTEM

Mr. VanDyk presented and reviewed a website communications report for the previous month, a copy of which is attached. He reported on news posts, increased website statistics, resident inquiries, open items, and action items from the previous month. Mr. VanDyk reported on the published article regarding the commercial vehicle towing initiative.

Mr. VanDyk updated the Board on the implementation of emergency messaging services in the District. He stated that Touchstone has enrolled 1,045 residents to the District's emergency messaging system.

Mr. VanDyk inquired if the Board would be interested in touring the local community fire department training facility. The Board discussed the recent donation of a fire hydrant to the training facility and deferred scheduling the tour until following the summer months.

Director Weppler inquired about details of the ongoing monthly and fixed costs for website hosting services by Touchstone. Mr. VanDyk reviewed the Touchstone invoice for the previous month and detailed each charge on the invoice. He explained the difference between typical charges, ongoing charges, and fixed charges. The Board considered including a line item on the next annual District budget for website hosting, emergency messaging, and related marketing matters.

Following review and discussion, Director Bertrand moved to approve the website communications report. Director Eaglin seconded the motion, which passed unanimously, with all directors voting "yea."

COMMUNICATIONS COMMITTEE POSTING POLICY AND PROTOCOLS

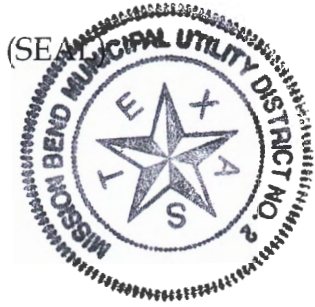
There was no discussion on this matter.

MEETING SCHEDULE AND PLANNING MATTERS

The Board considered scheduling a Board meeting to discuss engineering matters, including review of engineering firms' qualifications, and concurred unanimously to meet on July 19, 2022, at 4:00 p.m. at ABHR. The Board also discussed the next regular Board meeting on July 19, 2022, at 6:00 p.m. at ABHR with supplemental access via teleconference for consultants and members of the public.

There being no further matters to come before the Board, the meeting was adjourned.

Marlene Wepper
Secretary, Board of Directors



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