

MINUTES
MISSION BEND MUNICIPAL UTILITY DISTRICT NO. 2

June 20, 2023

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, on the 20th day of June, 2023, 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 Villagomez and Director Weppler, thus constituting a quorum.

Also present at the meeting were Deputy Charles Hill of the Harris County Sheriff's Office ("HCSO"); Miles Fabian and Daniela Moderow of AEI Engineering, LLC ("AEI"); 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"); Emmanuel Vazquez of Vazquez Electronics, LLC ("Vazquez Electronics"); Tommy Gomez of J3 Electric, LLC ("J3 Electric"); Hermes Amaya of Custom Scapes & Designs, Inc. ("Custom Scapes"); and Adisa Harrington and Aidé Meza of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

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

MINUTES

The Board considered approving the minutes of the May 16, 2023 (Regular), June 3, 2023 (Special), and June 12, 2023 (Chelford) meetings. Director Johnson inquired about previous Board action to approve flower planters to be installed at Bertrand Bridge. Director Bertrand stated that the flower planters were authorized under the Board action for the replacement of certain plants near Bertrand Bridge ahead of the dedication ceremony, at the May 4, 2023, special Board meeting where Director Johnson was absent. Following review and discussion, Director Eaglin moved to approve the

May 16, 2023 (Regular) and June 3, 2023 (Special) minutes, as presented. The Board confirmed there was no quorum at the June 12, 2023 (Chelford) meeting, and therefore there are no minutes for the meeting. Director Bertrand seconded the motion, which passed unanimously.

SECURITY SERVICES MATTERS

REPORT FROM HCSO

The Board reviewed and acknowledged receipt of the May 2023 security services report from the HCSO, a copy of which is attached. Deputy Hill reported on recent criminal activity, including details of activity by the homeless population within, and surrounding, the District. He stated that the HCSO's Homeless Outreach Team has been working with the homeless population.

UPDATE ON INSTALLATION OF SIGNS PROHIBITING COMMERCIAL VEHICLES FROM PARKING OVERNIGHT

Director Eaglin inquired about recent coordination with Harris County (the "County") to install signs prohibiting commercial vehicles from parking in the District overnight. Deputy Hill reported he is working with the County to facilitate the approval of additional No Parking signs, but that he has not received a response from the County yet. The Board discussed the role of the County's community engagement department as well as of Harris County Precinct No. 4 ("Precinct No. 4"). Director Bertrand reported on the difficulty of obtaining the remaining resident petitions at this time.

Following review and discussion, the Board concurred unanimously to accept the security report, as presented.

LIGHTING MAINTENANCE AND REPAIR MATTERS

Mr. Gomez reported on Houston Electrical Contractors, LLC's company name change to J3 Electric, and the Board reviewed a new Service Agreement between the District and J3 Electric for ongoing lighting maintenance and repair services. Mr. Gomez updated the Board on routine lighting and maintenance items at Little Villa Wetland Park ("LVWP") and Magnolia Park. Following review and discussion, Director Bertrand moved to approve the new Service Agreement between the District and J3 Electric and direct that it be filed appropriately and retained in the District's official records. Director Eaglin seconded the motion, which passed unanimously.

PARK SURVEILLANCE CAMERA MATTERS

Mr. Vazquez updated the Board on the monitored surveillance camera system at Magnolia Park and LVWP as well as ongoing monthly monitoring by Vazquez

Electronics. He presented and reviewed a surveillance camera system report, a copy of which is attached.

Mr. Vazquez reported on suspicious activities throughout the previous month, including sighting of a homeless individual at Magnolia Park who visits the park after normal operating hours. Director Bertrand inquired about the possibility of directing HCSO deputies to conduct site visits to Magnolia Park during the hours of 12:00 a.m. to 4:00 a.m. in order to enforce the park's operating hour rules. Deputy Hill stated that the HCSO is able to dispatch deputies to enforce park hours and asked that Mr. Vazquez report any suspicious activities, including park rule violations, in real time.

Mr. Vazquez presented and reviewed the previously discussed proposal from Vazquez Electronics in the amount of \$7,500.00, for equipment and installation of ten camera system microphones throughout Magnolia Park and LVWP. A copy of the proposal is attached to the surveillance camera system report. The Board discussed the necessity of microphones to enforce park rule violations in real time and Deputy Hill stated he will record a message on behalf of the HCSO to be played through the microphones, as needed. Mr. Vazquez then discussed the necessity of trimming certain tree branches along the brick fences at Magnolia Park in order to have increased visibility through the existing cameras. He requested the Board consider authorizing Custom Scapes to trim the tree branches, as presented in the surveillance camera system report.

Following review and discussion, Director Bertrand moved to: (1) accept the surveillance camera system report, as presented; (2) approve the proposal from Vazquez Electronics in the amount of \$7,500.00, for equipment and installation of ten camera system microphones throughout Magnolia Park and LVWP; and (3) approve trimming of certain tree branches along the brick fences at Magnolia Park by Custom Scapes, as discussed. Director Johnson seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

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 the final set of checks being presented for approval and execution in connection with the Bertrand Bridge dedication ceremony. She reported on detailed outstanding bond series information, which she stated will become a part of future monthly bookkeeping reports. Following review and discussion, Director Johnson moved to approve the bookkeeping report, the checks presented for payment, including the final checks for the Bertrand Bridge dedication ceremony, and the investment report, as presented. Director Eaglin seconded the motion, which passed unanimously.

AMEND BUDGET FOR FISCAL YEAR END SEPTEMBER 30, 2023

The Board deferred discussion on a proposed amended budget for the District's fiscal year end September 30, 2023 until the next regular Board meeting.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Loaiza presented and reviewed the monthly tax report, a copy of which is attached, reflecting that 97.8% of the District's 2022 taxes were collected as of the end of May 2023. Ms. Loaiza reviewed the bills presented for payment including overpayment refunds and adjustments from the previous month. She reported on the estimated Harris Central Appraisal District preliminary value of \$691,376,294.00, for the 2023 tax year, which represents an 18% increase from the previous tax year. Following review and discussion, Director Johnson 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.

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, 2023. Following review and discussion, Director Eaglin moved to authorize Perdue Brandon to proceed with the collection of delinquent taxes outstanding as of July 1, 2023. Director Johnson seconded the motion, which passed unanimously.

CHELFORD CITY REGIONAL WASTEWATER TREATMENT PLANT ("CHELFORD") MATTERS

The Board briefly discussed Chelford meeting matters.

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

The Board briefly discussed WHCRWA matters.

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 98.71% 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 replacement and maintenance, water meter repairs and replacements, and water well maintenance and repairs during the previous month.

Mr. Fabian updated the Board on the County sidewalks project along Bellaire Boulevard. Mr. Fabian stated that AEI has received a letter of No Objection from the County for the exhibits of the proposed fire hydrant relocation project in connection with the County sidewalks project. He stated that the County has requested a project completion date of July 14, 2023. Mr. Smith presented and reviewed a proposal from Si in the total amount of \$20,600.00, for hydrant relocations at four locations in the District. A copy of the proposal is attached to the operations report. The Board considered authorizing Si to coordinate with AEI and the County for completion of the hydrant relocations.

Director Bertrand reported on a visible water line leak along Via Del Norte Drive and directed Si to prepare a work order to investigate the leak. Director Bertrand also requested Si to conduct additional routine inspections during the summer months to identify leaks throughout the District. Mr. Smith stated that Si currently conducts regular inspections, but that he will request additional routine field inspections.

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 Bertrand inquired about large commercial, and multi-family residential delinquent accounts and Mr. Smith confirmed details of the accounts.

Following review and discussion, and based upon the operator's recommendation, Director Eaglin moved to: (1) approve the operations report, as presented; (2) approve the proposal from Si in the total amount of \$20,600.00, for hydrant relocations at four locations in the District in connection with the County sidewalks project, as presented; (3) authorize additional routine inspections by Si to identify leaks throughout the District; and (4) 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 Johnson seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Ms. Moderow presented and reviewed an engineering report from AEI, a copy of which is attached.

PERMANENT GENERATOR PROJECT

The Board discussed the status of construction of the permanent generators for the District. Ms. Moderow reported that bids were received at the offices of Langford Engineering, Inc. ("LEI") on May 9, 2023, and that both LEI and AEI have verified references and qualifications at this time. She stated that the lowest bidder is Long & Son, Inc. ("Long & Son") and recommended award of the permanent generator construction contract to Long & Son in the amount of \$1,718,398.00. The Board discussed the contractor's qualifications, references, and electric subcontractors. Director Bertrand inquired whether the District is required to award the construction contract to the lowest bidder and Ms. Harrington explained the Texas Water Code statute for awarding construction bids, which mandates the District to award the contract to the lowest responsible bidder that is advantageous to the District. The Board discussed details of the contract and concurred that, in its judgment, Long & Son was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

SANITARY SEWER CLEANING AND TELEVISIONING PROJECT

The Board discussed the District-wide sanitary sewer cleaning and televising project. The Board reviewed the proposed schedule for Phase IV, V, VI and VII sanitary sewer cleaning and televising work, a copy of which is attached to the engineer's report.

RECOATING OF GROUND STORAGE TANK ("GST") NO. 1 AND GST NO. 2 AT WATER PLANT NO. 2

The Board discussed the recoating project to serve GST no. 1 and GST no. 2 at water plant no. 2. Ms. Moderow reported that CFG Industries, LLC ("CFG") has completed the interior and exterior walls, roof, and concrete foundation of GST No. 1. She stated that CFG has completed coating of the of the yard piping, valve replacements in the pump building, and the interior walls of GST No. 2, and is currently working on blasting the exterior and roof of GST No. 2.

Ms. Moderow presented and requested for approval Pay Estimate No. 3 from CFG in the amount of \$97,650.00, for sediment removal, abrasive blasting and coating of the interior of GST No. 2, removal and replacement of gate valves, and pressure washing all booster pump piping. Ms. Moderow reported that the

work appears to have been completed in conformance with plans and specifications.

PHOSPHATE ADDITION AT WATER WELL NO. 1 AT WATER PLANT NO. 1

Ms. Moderow updated the Board on the phosphate addition at water well no. 1 at water plant no. 1. She reported that Si has confirmed all materials have been ordered and that the project is currently awaiting equipment delivery. Ms. Moderow reported that the anticipated construction start date by Si is June 26, 2023.

UPDATE TO DISTRICT OVERALL UTILITY MAP

Mr. Fabian updated the Board on the necessary revisions to the District's overall utility map. He stated that the updates to the map will include the addition of utilities within Terra Del Sol, Sections 5-9; Pavilion Pointe, Section 1; the Pavilion Pointe Apartments; and the Sierra Pines Apartments. Mr. Fabian confirmed that AEI is currently working on incorporating water and sanitary sewer lines, as requested by Si.

REQUESTS FOR SERVICE OR UTILITY COMMITMENT LETTERS

Mr. Fabian updated the Board on the request to review plans for a new development at Star Pipe Productions located at 4018 Westhollow Parkway. He stated that AEI has received revised plans and that the plans are being reviewed.

Mr. Fabian updated the Board on the request for a capacity commitment letter from a commercial tenant in the Sugarwell Plaza development at 14248 Bellaire Boulevard in the District. He stated that AEI has not received a deposit or the plumbing plans for the interior build-out.

Mr. Fabian updated the Board on the request for a capacity commitment letter from El Bolillo Bakery at 6766 Highway 6 South and Bellaire Boulevard. He stated that AEI has received comments from Si regarding the existing grease traps and sample well. Mr. Fabian stated that AEI has passed the comments along to the developer to be addressed.

Mr. Fabian updated the Board on the request for a capacity commitment letter from a Buddhist congregation temple (the "Temple") located at 6709 Howell Sugar Land Road outside the boundaries of the District. He stated that AEI received a deposit from the Temple, the plans were reviewed, and AEI has provided a response letter, a copy of which is attached to the engineer's report.

Mr. Fabian updated the Board on the request for a capacity commitment letter for a proposed 40-unit motel located at 14602 Presidio Square, adjacent to

the repair shop on the corner of Presidio Square and Highway 6. He stated that AEI has received a deposit check from the developer in the amount of \$2,500.00, to determine the feasibility of providing water and sewer to the development. Mr. Fabian recommended that the Board request the developer enter into a Utility Commitment Letter Agreement with the District outlining certain conditions that must be met by the developer in order to receive water and sewer service, which may include enhanced landscaping, maintenance, and lighting requirements, at the Board's discretion. The Board considered authorizing AEI and ABHR to proceed with negotiations for a Utility Commitment Letter Agreement outlining certain conditions that must be met by the developer in order to receive water and sewer service, as discussed.

Mr. Fabian updated the Board on the request for permanent access options to Magnolia Park. He stated that AEI has reached out to Chelford to inquire if they would consider granting permanent access for park maintenance and landscaping as well as future construction at the park. Mr. Fabian stated that Chelford's engineer has discussed the District's request with Chelford's Board, explaining that the District is requesting permanent access for maintenance and construction at Magnolia Park. Mr. Fabian reported that Chelford's Board inquired about more information on the request at their last meeting and confirmed that AEI will provide additional information, including gates, drainage, and surface design details and exhibits for their review. Director Johnson inquired about the removal of a berm along the Mission Bend Greenbelt Trail and expressed her preference to keep the berm, if possible. Ms. Cita stated that there may be a way to leave the berm undisturbed. The Board considered authorizing AEI to proceed with coordination with Chelford's engineer and Board on the continued request for permanent access to Magnolia Park.

Mr. Fabian reported on the recoating project to serve the District's elevated storage tank ("EST"). He stated that AEI is preparing the work order to blast and recoat the EST, including an alternative to add an overhead garage for future piping and pump rehabilitation projects.

Mr. Fabian reported on certain revisions being made to the District's current Capital Improvement Plan to include three recreational projects and one drainage project, which were submitted to Precinct No. 4's Places For People Call for Projects.

The Board discussed the necessity of a Bond Engineering Report for the November 2023 water, sanitary sewer, and drainage facilities bond election as well as the park bond election. Mr. Fabian stated that AEI can begin drafting a bond engineering report, upon the Board's approval, and the Board considered authorizing same.

Following review and discussion, and based upon the engineer's recommendation, Director Bertrand moved to: (1) award the contract for construction of

the permanent generators for the District to Long & Son in the amount of \$1,718,398.00, based upon the engineer's recommendation and receipt of the payment and performance bonds and the certificate(s) of insurance and endorsements, if any, provided by the contractor; (2) approve Pay Estimate No. 3 from CFG in the amount of \$97,650.00, for the recoating project to serve GST no. 1 and GST no. 2 at water plant no. 2; (3) authorize AEI and ABHR to proceed with negotiations for a Utility Commitment Letter Agreement between the District and the developer of a proposed 40-unit motel located at 14602 Presidio Square outlining certain conditions that must be met by the developer in order to receive water and sewer service; (4) authorize AEI to proceed with coordination with Chelford's engineer and Board on the request for permanent access to Magnolia Park; (5) authorize AEI to prepare the bond engineering report for the November 2023 water, sanitary sewer, and drainage facilities bond election as well as the park bond election; and (6) accept the engineer's report, as presented. Director Eaglin seconded the motion, which passed unanimously.

PARK MAINTENANCE MATTERS

Mr. Amaya presented and reviewed a landscape maintenance report from Custom Scapes, a copy of which is attached. Mr. Amaya reported on the general landscape maintenance invoices for Magnolia Park that have been authorized for payment by the Board, including facility mowing in the amount of \$520.80; maintenance and mowing of Reserve E in Terra Del Sol, Section 7 in the amount of \$720.00; monthly maintenance at LVWP in the amount of \$3,984.00; monthly maintenance at Magnolia Park in the amount of \$7,432.50; monthly maintenance of the Alief-Clodine Road right-of-way in the amount of \$576.00; and monthly maintenance of the Bellaire Boulevard at Alief-Clodine Road median in the amount of \$420.00.

Mr. Amaya updated the Board on the completion of the previously authorized invoices for District landscaping, including in the amount of \$4,980.00, for work at the Tres Lagunas Drive esplanade near the Fiesta retail store, including installation of flower plants, mulch, planting mix, and a new irrigation system for the flower beds; and in the amount of \$9,580.00, for new flower planters at Bertrand Bridge.

Mr. Amaya presented and recommended for approval estimate no. 1610 in the amount of \$1,228.00, for irrigation repairs along Bellaire Boulevard esplanades at Tres Lagunas Drive and Sierra Blanca Drive and estimate no. 1611 in the amount of \$24,395.00, for new landscaping at seven esplanades along Bellaire Boulevard.

Mr. Amaya reported on a recent vehicle accident at an esplanade along Bellaire Boulevard at Winkelman Road and stated he is not yet aware of the extent of the material damage caused to the esplanade. The Board considered designating Director Villagomez to approve a future estimate by Custom Scapes to repair damage caused by the vehicle accident along Bellaire Boulevard at Winkelman Road. Ms. Cita directed Custom Scapes to remove remaining ties around trees at LVWP.

Following review and discussion, Director Bertrand moved to: (1) approve the park maintenance invoices and estimates, as presented, with the exception of estimate no. 1611; and (2) designate Director Villagomez to approve a future estimate by Custom Scapes to repair damage caused by the vehicle accident along Bellaire Boulevard at Winkelman Road. Director Eaglin seconded the motion, which passed unanimously.

PARK AND RECREATIONAL FACILITY MATTERS

Ms. Cita presented and reviewed 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 power washing items to report at this time.

Ms. Cita updated the Board on the Phase III improvements project. Ms. Cita reported that TBG is performing schematic design for the project.

MISSION BEND GREENBELT TRAIL ("TRAIL") IMPROVEMENTS PROJECT

Mr. Fabian stated that TBG is working on alignment Option No. 3 which is the connection to the Alief-Clodine sidewalk via an easement from Alief Independent School District.

Ms. Cita updated the Board on the Trail improvements project. Ms. Cita reported that D.L. Meacham, LP ("D.L. Meacham") is currently addressing landscape punchlist items. Ms. Cita presented and recommended for approval Pay Application No. 23 in the amount of \$3,013.20, for monthly Trail maintenance, submitted by D.L. Meacham. She stated that the maintenance period by D.L. Meacham will be completed on or about September 8, 2023, and that maintenance specifications will be issued to Custom Scapes for ongoing maintenance pricing.

Ms. Cita updated the Board on the west side Trail improvements project. Ms. Cita stated that TBG is performing construction documentation.

LVWP IMPROVEMENTS

Ms. Cita presented and reviewed a proposal from TBG in the amount of \$443,300.00, for professional design services for the LVWP Phase II, a copy of which is attached to the parks and recreational facilities report.

Ms. Cita updated the Board on the western park boundary fence at LVWP. Ms. Cita stated that a preconstruction meeting was held on-site on May 30, 2023.

She stated that the contractor is currently working on submittals and material delivery.

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 Pay Application No. 23 in the amount of \$3,013.20, for monthly Trail maintenance from D.L. Meacham; and (3) approve the proposal from TBG in the amount of \$443,300.00, for professional design services for the LVWP Phase II project and direct that it be filed appropriately and retained in the District's official records. Director Eaglin seconded the motion, which passed unanimously.

HARRIS COUNTY PRECINCT NO. 4 PLACES FOR PEOPLE CALL FOR PROJECTS

The Board discussed the recent submission of four applications by the District for the Places for People Call for Projects by the County's Precinct No. 4, including for Magnolia Park improvements in the amount of \$1,392,903.00, LVWP Phase II Improvements in the amount of \$4,389,250.00, West Side Mission Bend Greenbelt Trail Improvements in the amount of \$694,347.00, and West Side Mission Bend Greenbelt Trail Drainage Improvements in the amount of \$150,000.00. Ms. Cita confirmed that all applications were submitted with a 50% cost sharing proposal between the District and Precinct No. 4. The Board reviewed a timeline for anticipated response from Precinct No. 4. Following review and discussion, there was no action on this matter.

DISTRICT TECHNOLOGY MATTERS

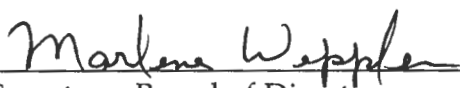
The Board discussed website hosting and monitoring services as well as emergency alert notifications by Triton Consulting Group, Inc. ("Triton"). Director Bertrand requested the Board consider authorizing ABHR to coordinate with Triton to post the photos from the Bertrand Bridge dedication ceremony on the District's website as a gallery for residents to view. Following review and discussion, the Board concurred unanimously to authorize ABHR to coordinate with Triton to post the photos from the dedication ceremony on the District's website.

MEETING SCHEDULE AND PLANNING MATTERS

The Board discussed the next regular meeting date and concurred to hold the next meeting on Tuesday, July 18, 2023, at 6:00 p.m. at ABHR.

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




Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Security services report from the HCSO	2
Surveillance camera system report.....	3
Bookkeeper’s report, investment report, and budget comparison.....	3
Tax report.....	4
Operations report.....	4
Engineer’s report.....	6
Landscape maintenance report	9
Parks and recreational facilities report	10