

MINUTES
MISSION BEND MUNICIPAL UTILITY DISTRICT NO. 2

December 19, 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 19th day of December 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 Wepler	Secretary
Leroy Eaglin	Assistant Secretary

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

Also present at the meeting were Deputy Charles Hill of the Harris County Sheriff's Office ("HCSO"); Miles Fabian of Baxter & Woodman Consulting Engineers, Inc. ("B&W"); Susan Cita and Mead Mitchell of TBG Partners ("TBG"); Vicki Busboom of VLB Bookkeeping Services; Lina Loaiza of Bob Leared Interests; Jarryd Mayfield of Si Environmental, LLC ("Si"); Emmanuel Vazquez of Vazquez Electronics, LLC ("Vazquez Electronics"); Hermes Amaya of Custom Scapes & Designs, Inc. ("Custom Scapes"); Tommy Gomez of J3 Electric, LLC ("J3 Electric"); Sarah Wheeler of Triton Consulting Group, Inc. ("Triton"); and Christina Miller and Aidé Meza of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

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

MINUTES

The Board considered approving the minutes of the November 14, 2023 (Special), November 21, 2023 (Regular), December 5, 2023 (Greenbelt), and December 11, 2023 (Chelford) meetings. Following review and discussion, Director Johnson moved to approve the November 14, 2023 (Special), November 21, 2023 (Regular), December 5, 2023 (Greenbelt), and December 11, 2023 (Chelford) minutes, as presented. Director Eaglin seconded the motion, which passed unanimously.

SECURITY SERVICES MATTERS

REPORT FROM HCSO

The Board reviewed and acknowledged receipt of the November 2023 security services report from the HCSO, a copy of which is attached. Deputy Hill reported on recent criminal activity, including an increase in property and commercial business theft within the District. He stated that patrolling and HCSO visibility has increased as a result of the reported theft incidents.

UPDATE ON INSTALLATION OF SIGNS PROHIBITING COMMERCIAL VEHICLES FROM PARKING OVERNIGHT

Deputy Hill reported on the ongoing issue of commercial vehicles parking in the District overnight. He stated that the HCSO conducted a towing enforcement initiative in the District during the previous month.

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

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 which are being presented 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 Little Villa Wetland Park ("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; monthly maintenance of the Bellaire Boulevard at Alief-Clodine Road median in the amount of \$420.00; and monthly maintenance of the Greenbelt Improvements Trail in the amount of \$4,392.92. He reported on the current condition of plants at the esplanades along Bellaire Boulevard and stated that the plants are still intact.

Mr. Amaya presented and reviewed estimate no. 1676 from Custom Scapes in the amount of \$2,327.00, for the replacement of irrigation valves along Bellaire Boulevard and at Magnolia Park. A copy of the estimate is attached to the landscape maintenance report. Director Villagomez inquired whether the estimate was to replace all irrigation valves and Mr. Amaya confirmed that the estimate includes all valves.

Following review and discussion, Director Weppler moved to: (1) approve estimate no. 1676 from Custom Scapes in the amount of \$2,327.00, for the replacement of irrigation valves and direct that the estimate be filed appropriately and retained in the District's official records; and (2) approve the park maintenance invoices in

conjunction with the bookkeeping report, as presented. Director Eaglin seconded the motion, which passed unanimously.

LIGHTING MAINTENANCE AND REPAIR

Mr. Gomez updated the Board on routine lighting and maintenance items at LVWP and Magnolia Park. He presented and reviewed a lighting maintenance and repair report from J3 Electric, a copy of which is attached. Mr. Gomez reported that the installation project for two (2) twenty-foot (20') light poles for solar power systems to provide power to holiday decorations was completed during the previous month. Following review and discussion, the Board concurred unanimously to accept the monthly lighting maintenance and repair report, as presented.

DISTRICT 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 sightings of individuals loitering and smoking at Magnolia Park throughout normal operating hours and outside of normal operating hours. Mr. Vazquez reported on individuals loitering as well as suspicious activity at LVWP. He stated that the new camera installation project at the Magnolia Park main entrance pole was completed during the previous month and presented and reviewed photographs taken from the new cameras, copies of which are attached to the surveillance camera system report. Following review and discussion, the Board concurred unanimously to accept the surveillance camera system report, as presented.

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. Following review and discussion, Director Wepler moved to approve the bookkeeping report, the checks presented for payment, and the investment report, as presented. Director Johnson seconded the motion, which passed unanimously.

TRAVEL REIMBURSEMENT GUIDELINES AND DIRECTOR EXPENSES FOR THE ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") MID-WINTER CONFERENCE

Ms. Miller reported on the AWBD mid-winter conference in Dallas, Texas from January 19-20, 2024. Following review and discussion, Director Wepler moved to authorize fees of office, hotel costs, and meals not provided by the conference for attendance at the AWBD mid-winter conference, in accordance with the District's

Travel Reimbursement Guidelines. Director Johnson seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Loaiza presented and reviewed the monthly tax report, a copy of which is attached, reflecting that 6.3% of the District's 2023 taxes were collected as of the end of November 2023. Ms. Loaiza reviewed the bills presented for payment including overpayment refunds and adjustments from the previous month. Following review and discussion, Director Eaglin moved to approve the tax report and payment of the checks drawn on the District's tax account, as presented. Director Johnson seconded the motion, which passed unanimously.

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

There was no report on Chelford matters.

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

The Board briefly discussed WHCRWA matters. Ms. Miller presented and reviewed a Notice of 2024 Appointment Process for WHCRWA Directors, a copy of which is attached. She clarified that since the District is in Precinct 1, there is no action to take regarding the 2024 director appointment process for 2024. Ms. Miller confirmed that the District must submit a completed 2023 Water Usage Form, attached as Exhibit B within the Notice of 2024 Appointment Process, by March 1, 2024. The Board directed Si to submit the annual 2023 Water Usage Form to the WHCRWA by the deadline. Following review and discussion, there was no action on this matter.

OPERATION OF DISTRICT FACILITIES

Mr. Mayfield 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. Mayfield reported that water accountability was 98.74% in the previous month. Mr. Mayfield 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.

HEARING REGARDING TERMINATION OF WATER AND SEWER SERVICE

Mr. Mayfield 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. Mayfield reviewed the timeline of the delinquencies, including the date of notice letters, door hangers, and scheduled terminations.

Director Villagomez requested the Board consider deferring all scheduled terminations of water and sewer services during the month of December 2023 in anticipation of the holiday season. Mr. Mayfield confirmed that Si can defer all terminations of water and sewer services during the holiday season and that the next disconnections will be scheduled for January 2024.

Director Eaglin followed up on the cleaning project for the private lift station at Star Pipe Product Ltd. ("Star Pipe"). Mr. Mayfield stated that the cleaning was completed during the previous month. Director Eaglin inquired about the District's payment to Si for the cleaning project. Mr. Mayfield confirmed that since it is a private lift station that services Star Pipe, Si will invoice the appropriate entity for reimbursement to the District.

Following review and discussion, and based upon the operator's recommendation, Director Wepler moved to: (1) approve the operations report, as presented; and (2) continue to defer all terminations of delinquent accounts during the month of December 2023 in anticipation of the holiday season, as discussed. Director Eaglin seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Mr. Fabian presented and reviewed an engineering report from B&W, a copy of which is attached.

PERMANENT GENERATOR PROJECT

The Board discussed the status of construction of the permanent generators for the District. Mr. Fabian reported that a Notice to Proceed was issued to Long & Son, Inc. ("Long & Son") on October 23, 2023. He stated that Long & Son is currently coordinating with CenterPoint Energy on a gas line extension to serve water plant no. 1. Mr. Fabian confirmed that Long & Son has not mobilized and that there are no pay estimates for review at this time. Director Villagomez inquired about the timeline for completion of the project

and Mr. Fabian reported that the estimated completion timeline is between 12 months and 18 months.

SANITARY SEWER CLEANING AND TELEVISIONING PROJECT

The Board discussed the District-wide sanitary sewer cleaning and televising project. Mr. Fabian stated that Hydroclear Services, LLC ("Hydroclear") has completed 3 out of the 4 sections of the project and is currently performing cleaning and televising on the last section along State Highway 6. He presented and recommended for approval Pay Application No. 1 in the amount of \$6,833.25, submitted by Hydroclear, which represents partial payment for performing cleaning and televising of approximately 893 linear feet of 8-inch sanitary sewer lines and 2,144 linear feet of 10-inch sanitary sewer lines.

REQUESTS FOR SERVICE OR UTILITY COMMITMENT LETTERS

Mr. Fabian updated the Board on the request for a capacity commitment letter from a Buddhist congregation temple located at 6709 Howell Sugar Land Road outside the boundaries of the District. He stated that B&W has issued a no-objection letter for the proposed development addition on December 1, 2023, 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 auto sales business development located at 14606 Presidio Square. Mr. Fabian stated that ABHR and B&W have prepared a utility commitment letter for review and consideration at this time.

Mr. Fabian reported on B&W's 2024 rate increase. He stated that, in accordance with the engineering services agreement, B&W's rates are subject to an annual increase based on the Employee Cost Index ("ECI") as published by the Bureau of Labor Statistics, with individual annual increases capped at a maximum of 3%. He stated that the 12-month ECI as of September 2023 was 4.3%, and that as such, B&W's billing rates for 2024 will increase by the maximum amount of 3%, effective January 1, 2024. A copy of the new 2024 billing rate schedule is attached to the engineer's report.

Following review and discussion, and based upon the engineer's recommendation, Director Weppeler moved to: (1) approve Pay Application No. 1 in the amount of \$6,833.25, for the District-wide sanitary sewer cleaning and televising project; (2) approve the utility commitment letter for a proposed auto sales business development located at 14606 Presidio Square and direct that it be filed appropriately and retained in the District's official records; (3) approve the billing rate increase by B&W, effective January 1, 2024, as discussed, and direct that the new billing rate schedule be filed appropriately and retained in the District's official records; and (4)

accept the engineer's report, as presented. 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 updated the Board on the Phase III improvements project. Ms. Cita reported that TBG is performing schematic design for the project, including coordination of the design of functional use restrooms and a new pavilion at Magnolia Park near the Mission Bend Greenbelt Trail ("Trail") and existing sanitary sewer line easements. Mr. Mitchell presented and reviewed concept plan options for the pavilion at Magnolia Park, copies of which are attached to the parks and recreational facilities report. The Board inquired about details of the concept plans, including the necessity of restrooms at the pavilion. Director Villagomez asked the Board to consider deferring action on the concept plan restroom option due to the absence of Director Bertrand. The Board then reviewed options for shapes and materials for the construction of the pavilion. Director Johnson expressed her belief that the same materials should be used as those for the construction of Bertrand Bridge, but in a more subtle presentation. Director Eaglin expressed his concurrence with Director Johnson. The Board then directed TBG to proceed with coordination of concept plan design with Studio RED Architects, based upon the Board's direction of the shape and materials for construction.

Mr. Fabian updated the Board on the request to Chelford for permanent access to Magnolia Park by the District. He stated that the previously approved Preliminary Opinion of Probable Cost for the Magnolia Park access project in the amount of \$210,000.00, was discussed with Chelford's engineer to be presented at their next regular meeting. Mr. Fabian stated that the item will be on Chelford's January 4, 2024, Board of Directors meeting agenda for review and consideration and that he plans to attend the meeting.

TRAIL IMPROVEMENTS PROJECT

Mr. Fabian updated the Board on the civil engineering plans for the alignment option connecting to the Alief-Clodine Road sidewalk via an easement from Alief Independent School District. He stated that B&W is approximately 40% complete with design plans at this time.

Ms. Cita updated the Board on the west side Trail improvements project. She stated that construction documentation and coordination with B&W is underway.

LVWP IMPROVEMENTS

Ms. Cita updated the Board on the western park boundary fence at LVWP. Ms. Cita stated that a substantial completion walk-through was performed and that HD Outdoor Designs, LLC ("HD Outdoor") is working on punch list items. She reported that a final walk-through was performed on December 14, 2023, and that there are no further pay estimates at this time.

MISSION BELL DRIVE BRICK FENCE REPAIR

Ms. Cita updated the Board on the visible dent in the brick fence at Mission Bell Drive. She presented and recommended approval of Change Order No. 1 with HD Outdoor to perform the necessary repairs to the brick fence at Mission Bell Drive and to increase the western park boundary fence contract in the amount of \$12,650.00. The Board determined that Change Order No. 1 is beneficial to the District.

PRESSURE WASHING IN THE DISTRICT

Ms. Cita updated the Board on pressure washing matters within the District. She stated that there are no updates.

Following review and discussion, and based upon the landscape architect's recommendation, Director Wepler moved to: (1) authorize TBG to proceed with coordination of concept plan design for the Phase III improvements project with Studio RED Architects, based upon the Board's direction of the shape and materials for construction of the pavilion; (2) approve Change Order No. 1 in the amount of \$12,650.00, as an increase to the contract with HD Outdoor for repairs to the brick fence at Mission Bell Drive, based upon the Board's finding that the Change Order is beneficial to the District and the landscape architect's recommendation; and (3) approve the parks and recreational facilities report, as presented. Director Eaglin seconded the motion, which passed unanimously.

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

The Board discussed the award of two grants to the District for the Places for People Call for Projects by Harris County Precinct No. 4. Mr. Fabian and Ms. Cita stated that there are no updates regarding the Mission Bend Greenbelt West Side Trail and Trail Drainage Improvements projects and that the District is awaiting receipt of the Interlocal Agreements from Harris County. Following discussion, there was no action on this matter.

DISTRICT TECHNOLOGY MATTERS

Ms. Wheeler presented and reviewed a communications report from Triton a copy of which is attached. Following discussion, there was no action on this matter.

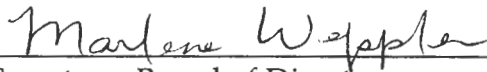
REVIEW AND UPDATE EMINENT DOMAIN REPORT TO THE TEXAS COMPTROLLER

Ms. Miller reported that ABHR has filed the District's Eminent Domain Authority Annual Report for 2023 with the Comptroller of the State of Texas, pursuant to Senate Bill 1812. Following discussion, there was no action on this matter.

MEETING SCHEDULE AND PLANNING MATTERS

The Board discussed the next regular Board meeting and concurred to hold the next meeting on Tuesday, January 16, 2024, 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

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