

MINUTES  
MISSION BEND MUNICIPAL UTILITY DISTRICT NO. 2

February 20, 2024

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 20<sup>th</sup> day of February 2024, 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, thus constituting a quorum.

Also present at the meeting were Deputy Charles Hill and Deputy Steve Martinez of the Harris County Sheriff's Office ("HCSO"); Vicki Busboom of VLB Bookkeeping Services; Miles Fabian and Daniela Moderow of Baxter & Woodman Consulting Engineers, Inc. ("B&W"); Susan Cita and Mead Mitchell of TBG Partners ("TBG"); Cope Bailey of Studio RED Architects; 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"); James "JC" Reno of Storm Water Solutions, LLC ("SWS"); Brian Sparks 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 January 29, 2024 (Integrated), January 30, 2024 (Regular), February 6, 2024 (Greenbelt), and February 12, 2024 (Chelford) meetings. Ms. Miller confirmed there was no quorum at the January 29, 2024 (Integrated) or the February 12, 2024 (Chelford) meetings, and therefore there were no minutes presented. Following review and discussion, Director Bertrand moved to

approve the January 30, 2024 (Regular) and February 6, 2024 (Greenbelt) 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 January 2024 security services report from the HCSO, a copy of which is attached. Deputy Hill introduced Deputy Steve Martinez, who patrols in the District, and reported on recent criminal activity.

### 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. Deputy Hill stated that the HCSO conducted a towing enforcement initiative in the District during the previous month. Director Bertrand reported that commercial vehicles have begun to park along State Highway 6, and Deputy Hill stated that the HCSO is aware of the new parking location.

Director Bertrand expressed her interest in coordinating a special meeting agenda so the District's Board can meet with the Mission Bend Civic Association ("MBCA") on Thursday, March 14, 2024, to discuss the importance of the petitions to install new signage prohibiting commercial vehicles from parking in the District overnight. Director Bertrand stated that she will be coordinating with the MBCA on the subsequent submission of the petitions to the Harris County Commissioner's Office. Deputy Hill confirmed that the HCSO would like specific signs with arrows showing where the commercial vehicles cannot park. Following review and discussion, ABHR confirmed that they would prepare an agenda to post for the proposed special meeting.

## PARK MAINTENANCE MATTERS

The Board reviewed a landscape maintenance report from Custom Scapes & Designs, Inc. ("Custom Scapes"), a copy of which is attached. The Board reviewed 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.

The Board reviewed estimate no. 1692 from Custom Scapes in the amount of \$1,230.00, for replacement of two backflow preventors along Bellaire Boulevard with new parts and fillings and estimate no. 1693 from Custom Scapes in the amount of \$1,030.00, for trimming of the overhanging Crape Myrtle branches at the subdivision entrance at Estrada Drive. Copies of the estimates are attached to the landscape maintenance report. The Board discussed details of the proposed estimates, as presented.

Following review and discussion, Director Bertrand moved to: (1) approve estimate no. 1692 from Custom Scapes in the amount of \$1,230.00, as presented, and direct that it be filed appropriately and retained in the District's official records; (2) approve estimate no. 1693 from Custom Scapes in the amount of \$1,030.00, as presented, and direct that it be filed appropriately and retained in the District's official records; and (3) approve the landscape maintenance report, as presented. Director Eaglin seconded the motion, which passed unanimously.

#### LIGHTING MAINTENANCE AND REPAIR

Mr. Gomez presented and reviewed a routine lighting and maintenance report for items at LVWP and Magnolia Park, a copy of which is attached. Mr. Gomez reported on the tampering of breaker boxes at LVWP and Magnolia Park. He recommended the Board authorize J3 Electric to install locks at the breaker boxes to mitigate tampering. Mr. Gomez then reported on broken outlet covers at flower beds at Magnolia Park and recommended the Board authorize J3 Electric to replace the covers, as needed.

Mr. Gomez presented and reviewed a proposal from J3 Electric in the amount of \$2,426.00, for replacement of two fuses on a light pole at LVWP, installation of locks at the LVWP and Magnolia Park breaker boxes to mitigate tampering, replacement of wire and conduit to the light fixtures along the Mission Bend Greenbelt Trail (the "Trail"), replacement of light fixtures at the gazebo at Magnolia Park, replacement of six broken outlet covers at the Magnolia Park flower beds, and installation of locks on the solar panel at Altamira. A copy of the proposal is attached to the lighting and maintenance report. The Board discussed details of the proposal, as presented.

Following review and discussion, Director Bertrand moved to: (1) approve the proposal from J3 Electric in the amount of \$2,426.00, as presented, and direct that it be filed appropriately and retained in the District's official records; and (2) approve the lighting and maintenance report, as presented. Director Eaglin seconded the motion, which passed unanimously.

## 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. Mr. Vazquez presented and reviewed a surveillance camera system report, a copy of which is attached. He reported on sightings of individuals loitering at Magnolia Park throughout normal operating hours and outside of normal operating hours. Mr. Vazquez stated that overnight commercial vehicle parking at LVWP ceased in the previous month. He reported that the previously discussed replacement camera at LVWP has been installed.

Mr. Vazquez recommended the Board authorize Vazquez Electronics to upgrade the internet speed service for a faster remote connection to the surveillance cameras. He also reported that several poles at Magnolia Park are deteriorating due to age and recommended replacement of the poles soon. The Board discussed the condition of the poles at Magnolia Park and directed Mr. Vazquez to present a proposal for the replacement of deteriorating poles at the next regular Board meeting.

Following review and discussion, Director Bertrand moved to authorize Vazquez Electronics to upgrade the internet speed service at Magnolia Park and LVWP for a faster remote connection to the surveillance cameras, as discussed. Director Wepler 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. Miller reported that the legal representation bill for the month of February 2024 is higher than normal due to preparation of documents for the 2024 Directors Election and preparation of the continuing disclosure annual report required by Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission. Following review and discussion, Director Bertrand 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.

## WORKERS COMPENSATION INSURANCE

The Board reviewed and considered accepting a proposal from McDonald & Wessendorff Insurance in the amount of \$836.00, for renewal of the District's workers compensation insurance, a copy of which is attached. Following review and discussion, Director Eaglin moved to accept the workers compensation insurance proposal, as presented, and direct that the proposal be filed appropriately and retained in the

District's official records. Director Wepler seconded the motion, which passed unanimously.

### ANNUAL REPORT

The Board considered approving an Annual Report containing updated financial and operating data to be filed with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access System ("EMMA") in accordance with the continuing disclosure provisions contained in the District's bond resolutions and as required by the Rule. Following review and discussion, Director Bertrand moved to: (1) approve the Annual Report, subject to finalization; (2) authorize the attorney to submit the District's updated financial and operating data in compliance with the continuing disclosure provisions contained in the bond resolution through EMMA; and (3) direct that the Annual Report be filed appropriately and retained in the District's official records. Director Eaglin seconded the motion, which passed unanimously.

### ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. Ms. Miller stated that no changes are recommended at this time. Following discussion, there was no action on this matter.

### TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Loaiza presented and reviewed the monthly tax report, a copy of which is attached, reflecting that 94.3% of the District's 2023 taxes were collected as of the end of January 2024. Ms. Loaiza reviewed the bills presented for payment including overpayment refunds and adjustments from the previous month. The Board discussed the process for property value protests and lawsuits. 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 Wepler seconded the motion, which passed unanimously.

### RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board considered adopting a Resolution Concerning Exemptions from Taxation (the "Resolution"), which provides for the exemption from ad valorem taxation of \$65,000 of the appraised value of residence homesteads of individuals who are disabled or are sixty-five years of age or older and a general homestead exemption of 20% of the appraised value (but not less than \$5,000) of residence homesteads. Following review and discussion, Director Bertrand moved to adopt the Resolution and direct that it be filed appropriately and retained in the District's official records. Director Eaglin 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 discussed WHCRWA matters, including the preliminary engineering work for surface water conversion lines to the District. Ms. Moderow reported that the preliminary engineering work is underway. She stated that the timeline for surface water delivery is estimated for June 2026 and that B&W expects to complete the preliminary engineering phase by March 2024. 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 95.60% 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.

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.

Mr. Reno presented and reviewed the District’s Storm Water Management Program report, a copy of which is attached. Mr. Reno discussed the program’s Storm Water Quality permit renewal with Harris County (the “County”) for Terra Del Sol, Section 8 and stated that the District’s permit will be renewed by SWS in March 2024 ahead of the April 9, 2024, deadline.

Following review and discussion, and based upon the operator’s recommendation, Director Bertrand moved to: (1) authorize SWS to renew the District’s annual Storm Water Quality permit with the County for Terra Del Sol, Section 8, as

discussed; (2) approve the operations report, as presented; and (3) 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.

#### RESOLUTION APPROVING SUBMITTAL OF THE WATER SMART APPLICATION

The Board discussed the District's participation in the Association of Water Board Directors ("AWBD") Water Smart Program. Mr. Smith reviewed a Resolution Approving Submittal of the Water Smart Application for Inclusion in the AWBD Water Smart Partners Program (the "Water Smart Application Resolution"). Following review and discussion, Director Bertrand moved to adopt the Water Smart Application Resolution and direct that it 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 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. Ms. Moderow reported that B&W is currently reviewing project submittals from Long & Son, Inc. ("Long & Son"). Ms. Moderow reported that both generators have a lead time of approximately 14 months to 16 months and that the generators were ordered in October 2023. She stated that Long & Son anticipates mobilizing by late March 2024 and that there are no pay estimates for review at this time.

#### SANITARY SEWER CLEANING AND TELEVISIONING PROJECT

The Board discussed the District-wide sanitary sewer cleaning and televising project. Ms. Moderow reported that Hydroclear Services, LLC has completed all cleaning and televising except for the 30-inch sanitary sewer line along Via Del Norte. She reported that this section is not accessible by the camera due to submergence, heavy debris, and loose gaskets and that a video from an accessible section of the 30-inch sanitary sewer pipe shows pipe deterioration and loose gaskets. Ms. Moderow confirmed that due to the pipe deterioration, it is not recommended to clean or cut the gaskets at this time and to revisit this section of sewer line during the upcoming sanitary sewer rehabilitation project. She stated that there are no pay estimates for review at this time.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ("TCEQ")  
VARIANCE REQUESTS FOR WATER WELL NO. 1 AND WATER WELL NO. 2

Ms. Moderow updated the Board on TCEQ water plant violation matters from 2021 and 2022. She restated that the TCEQ has requested the well completion data for water well no. 1 and water well no. 2, which includes a sanitary control easement covering all land within 150 feet of a water well. Ms. Moderow stated that B&W has submitted a variance exemption request for the 150-foot sanitary control easement for both water wells since water well no. 1 was drilled in 1979 and water well no. 2 was drilled in 1986. She explained that the area around the wells is fully developed and has no records of pollution hazards. Ms. Moderow stated that in response to B&W's request, the TCEQ subsequently requested that the District send an easement solicitation letter to each property owner within 150 feet of each well along with their standard Sanitary Control Easement document to be filled for each specific property owner. Ms. Miller confirmed that ABHR has transmitted the letters to property owners by certified mail and given them 30 days to respond. Ms. Moderow explained that if no response is received, the District will transmit a copy of the solicitation and the certified mail receipts as part of the exemption request.

REQUESTS FOR SERVICE OR UTILITY COMMITMENT LETTERS

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. He stated there are no updates to the request.

WATER PLANT NO. 1 GROUND STORAGE TANK ("GST")  
REHABILITATION

Mr. Fabian discussed the future rehabilitation of the GST and water plant no. 1. He requested the Board consider authorizing B&W to begin engineering design for the rehabilitation of the protective coating system for the GST's interior, as recommended, per the 2023 tank evaluation report prepared by Preventive Services, LP. Mr. Fabian stated that the scope of the project includes a full blast and recoat of the interior roof and sidewalls and touch ups to the GST's exterior and that the estimated construction cost is approximately \$420,000.00.

Mr. Fabian also reported that the estimated cost for engineering design is approximately \$63,000.00, and the estimated cost for construction administration and field inspection is approximately \$34,000.00, to be billed hourly for time and materials in accordance with the District's engineering agreement. Mr. Fabian presented and reviewed photographs of the GST interior, copies of which are attached to the engineer's report.



The Board discussed details and estimated costs for the GST rehabilitation project and determined that the project was included in the District's most recent bond authorization which was approved in November 2023. The Board then considered authorizing B&W to begin engineering design for the rehabilitation of the protective coating system for the GST's interior.

Following review and discussion, and based upon the engineer's recommendation, Director Bertrand moved to: (1) authorize B&W to begin engineering design for the rehabilitation of the GST at water plant no. 1, including the protective coating system for the GST's interior, as discussed; and (2) accept the engineer's report, as presented. Director Johnson 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 IMPROVEMENTS

Mr. Fabian confirmed that B&W has received the base file from TBG for the Phase III improvements project and that work on preliminary engineering for the detention and drainage for the park improvements is underway.

Ms. Cita updated the Board on the Phase III improvements project. Mr. Bailey of Studio RED Architects introduced himself to the Board and presented and reviewed revised concepts for the Magnolia Park pavilion structure, copies of which are attached to the parks and recreational facilities report. The Board reviewed two revised concepts and considered authorizing Studio RED Architects and TBG to proceed with design of Option B, which was determined by the Board to be more open and subtle. Following review and discussion, Director Bertrand moved to authorize Studio RED Architects and TBG to proceed with design of Option B for the Magnolia Park pavilion structure, as discussed. Director Eaglin seconded the motion, which passed by a vote of 4 for the motion and 1 abstention, with Directors Villagomez, Weppler, Eaglin and Bertrand voting for the motion, and Director Johnson abstaining.

Mr. Fabian updated the Board on the request to the Chelford City Municipal Utility District ("Chelford City MUD") for permanent access to Magnolia Park by the District. He reported that the Chelford City MUD has not had any further discussion on the request and that B&W has asked Chelford City MUD's engineer to discuss this further with the Board prior to the District's March 2024 meeting. The Board discussed certain details of the request, including the proposed timeline for the project and the approximate annual maintenance cost of the access road.

## 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 60% complete with design plans at this time and presented a revised schedule for submission to all agencies for review.

Ms. Cita updated the Board on the west side Trail improvements project. She presented and reviewed construction plans and inquired whether the Board preferred to review the plans in detail at this time or at a special meeting of the District. Copies of the proposed construction plans are attached to the parks and recreational facilities report. The Board concurred unanimously to defer review and action for the west side Trail improvements project construction plans until a special meeting of the District can be held. Ms. Cita stated that TBG will coordinate with the Directors and with ABHR on the final date and time for the special meeting at the offices of TBG, as discussed.

## LVWP IMPROVEMENTS

Mr. Fabian updated the Board on the LVWP improvements project. He stated that the survey is complete and that the survey file has been provided to TBG.

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") has completed punch list items. She presented and recommended for approval Pay Application No. 6 and Final in the amount of \$22,837.50, submitted by HD Outdoor.

## MISSION BELL DRIVE BRICK FENCE REPAIR

Ms. Cita updated the Board on the visible dent in the brick fence at Mission Bell Drive. Ms. Cita stated that the brick fence repair has been completed and confirmed that HD Outdoor was able to repair the fence as part of the LVWP western park boundary fence project. She then recommended the Board consider approving a separate Service Agreement with HD Outdoor in the amount of approximately \$17,000.00, for additional brick fence repairs at 6214 Vista Camino Drive. Director Villagomez directed Ms. Cita to solicit a second proposal for the brick fence repairs at 6214 Vista Camino Drive from Fencecrete America, Inc. ("Fencecrete").

## PRESSURE WASHING IN THE DISTRICT

Ms. Cita updated the Board on pressure washing matters within the District. She stated there are no new pressure washing proposals at this time.

Following review and discussion, and based upon the landscape architect's recommendation, Director Johnson moved to: (1) approve Pay Application No. 6 and Final in the amount of \$22,837.50, for the western park boundary fence project at LVWP; (2) approve a Service Agreement with HD Outdoor in the amount of approximately \$17,000.00, for additional brick fence repairs at 6214 Vista Camino Drive, subject to solicitation of a second proposal for repairs from Fencecrete and determination of the lowest bidder for the project; and (3) approve the parks and recreational facilities report, as presented. Director Eaglin seconded the motion, which passed unanimously.

## HARRIS COUNTY PRECINCT NO. 4 ("HCP4")

### PLACES FOR PEOPLE CALL FOR PROJECTS 2023 CALL FOR PROJECTS, INCLUDING APPROVE INTERLOCAL AGREEMENTS

The Board discussed the award of two grants to the District for the Places for People Call for Projects by HCP4. Ms. Miller stated that the District is awaiting receipt of the Interlocal Agreements from the County. Ms. Cita reported on an additional park renovation grant program which was announced following the selection of projects for the 2023 grant funds. She recommended the District consider authorizing TBG to apply for the additional grant funds for parks once additional details are available. Following discussion, there was no action on this matter.

### INTERLOCAL AGREEMENTS FOR PUBLIC INFRASTRUCTURE MAINTENANCE

Ms. Miller reported on an upcoming meeting with the County regarding median maintenance matters and traffic mitigation in the District. She stated that HCP4 has requested an inventory of all infrastructure the District currently maintains in the County's right-of-way and that HCP4 is considering an Interlocal Agreement for ongoing maintenance by the District. Ms. Miller stated that additional updates will be provided at the next regular Board meeting. Following discussion, there was no action on this matter.

## DISTRICT TECHNOLOGY MATTERS

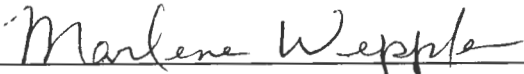
Mr. Sparks presented and reviewed a communications report from Triton, a copy of which is attached. He reported that the previously approved park pavilion reservation system has been implemented on the District's website. The Board discussed possible additions to the District's Welcome Packet for new residents to

include a reference to the District's website. The Board considered certain updates to the website. Following discussion, there was no action on this matter.

MEETING SCHEDULE AND PLANNING MATTERS

The Board discussed the next special and regular Board meetings and concurred to hold the next meetings on Thursday, March 14, 2024, at 6:00 p.m. at the Mission Bend Civic Association Clubhouse, 15234 Corona Del Mar Drive, Harris County, Houston, TX 77083 and on Tuesday, March 19, 2024, at 6:00 p.m. at the offices of ABHR.

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

  
Secretary, Board of Directors



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