

MINUTES
MISSION BEND MUNICIPAL UTILITY DISTRICT NO. 2

January 30, 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 30th day of January 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 of the Harris County Sheriff's Office ("HCSO"); Miles Fabian and Daniela Moderow of Baxter & Woodman Consulting Engineers, Inc. ("B&W"); Mead Mitchell of TBG Partners ("TBG"); Michelle Townes of McCall Gibson Swedlund Barfoot PLLC ("McCall Gibson"); Lina Loaiza of Bob Leared Interests; Carlous Smith of Si Environmental, LLC ("Si"); Emmanuel Vazquez of Vazquez Electronics, LLC ("Vazquez Electronics"); Hermes Amaya of Custom Scapes & Designs, Inc. ("Custom Scapes"); Brian Sparks of Triton Consulting Group, Inc. ("Triton"); and Andrew Vaughan 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 December 19, 2023 (Regular), January 2, 2024 (Greenbelt), and January 8, 2024 (Chelford) meetings. Following review and discussion, Director Weppler moved to approve the December 19, 2023 (Regular), January 2, 2024 (Greenbelt), and January 8, 2024 (Chelford) minutes, as presented. Director Eaglin seconded the motion, which passed unanimously.

2024 DIRECTORS ELECTION

RESOLUTION DESIGNATING AN AGENT OF THE SECRETARY OF THE BOARD OF DIRECTORS DURING THE 2024 BOARD OF DIRECTORS ELECTION PERIOD

Mr. Vaughan discussed procedures related to the 2024 Directors Election. He reviewed a Resolution Designating an Agent of the Secretary of the Board of Directors During the 2024 Directors Election Period (the "Resolution").

NOTICE OF DEADLINE TO FILE APPLICATIONS FOR PLACE ON THE BALLOT

Mr. Vaughan reported on requirements to post a Notice of Deadline to File Applications for Place on the Ballot for the 2024 Directors Election (the "Notice of Deadline").

CONTRACT FOR ELECTION SERVICES WITH HARRIS COUNTY

Mr. Vaughan reported that the District will not be able to contract with Harris County (the "County") to conduct the District's 2024 Directors Election.

CONSIDER USE OF ELECTRONIC VOTING SYSTEM AND AUTHORIZE NOTICE OF EXEMPTION

Mr. Vaughan discussed exemptions from using electronic voting systems during the 2024 Directors Election.

SET PAY FOR ELECTION OFFICIALS

The Board discussed pay for election officials during the 2024 Directors Election.

ORDER CALLING DIRECTORS ELECTION

Mr. Vaughan discussed procedures related to the 2024 Directors Election. He presented and reviewed an Order Calling Directors Election.

NOTICE OF ELECTION

Mr. Vaughan reported that a Notice of Election may be required to be posted or published and provided to the County Clerk and Voter Registrar of the County.

Following review and discussion, Director Bertrand moved to: (1) adopt the Resolution appointing Aidé Meza as the agent of the Secretary of the Board of Directors

to perform the duties of the District's 2024 Directors Election, authorize the agent to post the related notice as required, and direct that the Resolution be filed appropriately and retained in the District's official records; (2) authorize the Secretary's agent to post the Notice of Deadline, as required; (3) authorize the Secretary's agent to publish Notice of Exemption in a newspaper of general circulation; (4) set the pay for election officials at \$18.00 per hour, as discussed; (5) adopt the Order Calling Directors Election and direct that it be filed appropriately and retained in the District's official records; and (6) authorize the Secretary's agent to post or publish and provide to the County Clerk and Voter Registrar a Notice of Election, if required, and to direct that it be filed appropriately and retained in the District's official records. Director Eaglin seconded the motion, which passed unanimously.

SECURITY SERVICES MATTERS

REPORT FROM HCSO

The Board reviewed and acknowledged receipt of the December 2023 security services report from the HCSO, a copy of which is attached. Deputy Hill reported on recent criminal activity, including incidents during the inclement weather events of January 2024. He reported on recent activity by the HCSO homeless outreach team within and near the District during the previous month.

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. Director Bertrand reported that she attended the January 2024 Mission Bend Civic Association ("MBCA") meeting to continue coordination between the District and the MBCA on this matter. The Board discussed the MBCA's participation in the request and Director Hill's continued coordination with the County on obtaining the additional signs. Following review and discussion, there was no action on this matter.

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. Mr. Amaya stated that the previously approved irrigation repairs in the amount of \$2,327.00, have been completed.

Mr. Amaya reported that the decaying seasonal plants from December 2023 and January 2024 will be removed the first week of February 2024, subject to favorable weather conditions. The Board discussed the timing of ornamental grass trimming in February 2024 and planting of new vegetation throughout the District. Mr. Mitchell confirmed that TBG is coordinating on timing of new vegetation planting ahead of the new growth season in March 2024.

Following review and discussion, the Board concurred unanimously to approve the park maintenance invoices in conjunction with the bookkeeping report, as presented.

LIGHTING MAINTENANCE AND REPAIR

The Board reviewed routine lighting and maintenance items at LVWP and Magnolia Park from J3 Electric, LLC, a copy of which is attached. Following review and discussion, there was no action on this matter.

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. He reported on graffiti at Magnolia Park, which has since been removed by Katy Pressure Washing Pros. Mr. Vazquez reported on individuals loitering as well as suspicious activity at LVWP. He presented and reviewed photographs of high-water spots at Magnolia Park following recent rain events. Mr. Vazquez also reported on commercial vehicles parked along Via Del Norte Drive. He stated that a camera fell during the inclement weather conditions in January 2024 and that the recovered camera has been sent to the manufacturer for repair. Following review and discussion, there was no action on this matter.

FINANCIAL AND BOOKKEEPING MATTERS

The Board 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 Bertrand moved to approve the bookkeeping report, the checks presented for payment, and the investment report, as presented. Director Wepler seconded the motion, which passed unanimously.

ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") WINTER CONFERENCE, APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES, AND AUTHORIZE ATTENDANCE AT SUMMER CONFERENCE

The Board discussed the AWBD mid-winter conference and considered authorizing attendance at the AWBD summer conference in Fort Worth, Texas from June 13-15, 2024. Director Eaglin presented and reviewed a report on subsidence matters in the greater Houston area, as presented at the AWBD mid-winter conference. Following discussion, Director Bertrand moved to: (1) authorize per diems for Board members who attended the AWBD mid-winter conference; (2) approve reimbursement of eligible expenses from the mid-winter conference; and (3) authorize attendance of Board members at the AWBD summer conference. Director Wepler seconded the motion, which passed unanimously.

ANNUAL DISCLOSURE STATEMENTS FOR INVESTMENT OFFICER AND BOOKKEEPER

Mr. Vaughan stated that in accordance with the District's Investment Policy, the District's bookkeeper and Investment Officer are required to execute a disclosure statement that discloses any relationships with banks and brokers who seek to sell investments to the District. The Board reviewed the annual disclosure statement submitted by Ms. Busboom. Mr. Vaughan added that the disclosure statement will be filed with the Texas Ethics Commission ("TEC"). Following review and discussion, Director Bertrand moved to accept the disclosure statement, pursuant to the District's Investment Policy and the Public Funds Investment Act, and direct that it be filed with the TEC and retained in the District's official records. Director Johnson seconded the motion, which passed unanimously.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE

Mr. Vaughan reported on the District's compliance activities during the prior calendar year related to bond financing. He stated that no corrective action is required at this time. Following discussion, there was no action on this matter.

AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2023

Ms. Townes presented and reviewed the District's audit for the fiscal year end September 30, 2023, as prepared by McCall Gibson, including the management discussion and analysis. Following review and discussion, Director Bertrand moved to: (1) approve the audit; and (2) authorize filing of the audit as required by Texas Commission on Environmental Quality ("TCEQ") rules. Director Eaglin 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 36.0% of the District's 2023 taxes were collected as of the end of December 2023. Ms. Loaiza reviewed the bills presented for payment including overpayment refunds and adjustments from the previous month. She reported on a credit card reversal charge in the amount of \$2,867.84. Following review and discussion, Director Wepler moved to approve the tax report and payment of the checks drawn on the District's tax account, as presented. Director Bertrand 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, INCLUDING APPROVE COMPLETION AND SUBMITTAL OF WATER USAGE REPORTING FORM TO THE WHCRWA

Mr. Smith discussed the 2023 Water Usage Form (the "Form") and requested the Board consider authorizing Si to submit the Form to the WHCRWA by the deadline of March 1, 2024.

The Board discussed WHCRWA matters, including the preliminary engineering work for surface water conversion lines to the District. Ms. Moderow reported that the preliminary 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 within 4 to 6 months.

Following review and discussion, Director Bertrand moved to authorize Si to submit the Form to the WHCRWA, as presented. Director Eaglin seconded the motion, which passed unanimously.

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 97.03% 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. Smith reported that the cleaning project for the private lift station at Star Pipe Product Ltd. has been completed. Director Villagomez inquired about the details of the repair to the blower motors at the District's water plant and Mr. Smith confirmed details of the repair 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 details of certain large delinquent accounts. Mr. Smith confirmed that the large accounts are multi-family housing developments, which typically pay their bill ahead of the termination date, and that other large accounts belong to high average water users in the District.

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 Eaglin 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"). She stated that Long & Son has not mobilized yet and that there are no pay estimates for review at this time. Ms. Moderow stated that both generators have a lead time of 14 to 16 months and that they were ordered in October 2023.

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 ("Hydroclear") is completing the final segment along Via Del Norte Drive and that Hydroclear is on track to complete all cleaning and televising by January 12, 2024. She confirmed that there are no pay estimates for review at this time.

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 reported that Hira Holdings, LLC ("Hira Holdings") has signed the previously approved capacity commitment letter, which has been filed in the District's official records. Mr. Fabian stated that B&W will perform a plan review once the plans are submitted by Hira Holdings.

Mr. Fabian reported on TCEQ water plant violation matters from 2021 and 2022. He stated that B&W is currently working with the compliance team at Si to ensure compliance with new TCEQ requirements for water wells. He stated that certain regulatory requirements were not in place when the District initially constructed the water wells and that the District has been given the opportunity by the TCEQ to conform with the now-current requirements. He stated that additional information will be presented at the next regular Board meeting, ahead of the TCEQ's submission deadline.

Following review and discussion, and based upon the engineer's recommendation, Director Bertrand moved to accept the engineer's report, as presented. Director Wepler seconded the motion, which passed unanimously.

PARK AND RECREATIONAL FACILITY MATTERS

Mr. Mitchell presented and reviewed a report regarding the District's parks and recreational facilities, a copy of which is attached.

MAGNOLIA PARK MAINTENANCE

Mr. Mitchell updated the Board on the Phase III improvements project. He stated that TBG is performing schematic design for the project, including coordination of the new pavilion structure model with Studio RED Architects for presentation at the February 2024 regular Board meeting. The Board inquired about the details of the pavilion structure and proposed storage room and discussed whether they are an asset to the Magnolia Park improvements project. Director Bertrand expressed her concerns over security at Magnolia Park if the design includes additional gathering structures. The Board inquired about the necessity of coordinating with Studio RED Architects to complete the schematic design phase. Mr. Mitchell stated that Studio RED Architects has been contracted to complete the design phase with structures for the project and that he will present those schematics at the next regular Board meeting. Mr. Mitchell also confirmed that TBG can complete the design of the Magnolia Park Phase III improvements if the Board decides not to implement any new structures to the design concept following the next regular Board meeting.

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 on January 4, 2024, B&W presented the proposed Magnolia Park access route through the Regional Wastewater Treatment Facility to the Chelford City MUD Board for consideration and feedback. Mr. Fabian stated that concerns were expressed by the Chelford City MUD Board during the presentation, including drainage of the back berm area, long term maintenance of the access path, potential access of the facility by contractors not under a contract with Chelford City MUD, cleanliness of the site during construction, and traffic concerns of a new driveway on Alief-Clodine Road. He stated that the Chelford City MUD requested additional time to review the proposed route and discuss internally before making a decision on moving forward with any discussions of the project.

MISSION BEND GREENBELD TRAIL ("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 that a revised schedule will be presented at the next regular Board meeting.

Mr. Mitchell updated the Board on the west side Trail improvements project. He stated that TBG will have documentation at the next regular Board meeting.

LVWP IMPROVEMENTS

Mr. Mitchell updated the Board on the western park boundary fence at LVWP. Mr. Mitchell stated that a substantial completion walk-through was performed and that HD Outdoor Designs, LLC ("HD Outdoor") is working on punch list items. He presented and recommended for approval Pay Application No. 5 in the amount of \$10,187.50, submitted by HD Outdoor.

MISSION BELL DRIVE BRICK FENCE REPAIR

Mr. Mitchell updated the Board on the visible dent in the brick fence at Mission Bell Drive. Mr. Mitchell recommended the Board consider approving an on-site meeting with the homeowner to allow access to HD Outdoor. Director Johnson stated that she has obtained the homeowner's contact information and will transmit it to TBG for meeting coordination efforts.

PRESSURE WASHING IN THE DISTRICT

Mr. Mitchell updated the Board on pressure washing matters within the District. Mr. Mitchell presented and recommended for approval Invoice No. 1008 in the amount of \$400.00, for graffiti removal by Katy Pressure Washing Pros. at the Magnolia Park pavilion and at the Bertrand Bridge plaza.

Following review and discussion, and based upon the landscape architect's recommendation, Director Eaglin moved to: (1) approve Pay Application No. 5 in the amount of \$10,187.50, for the western park boundary fence project at LVWP; (2) approve an on-site meeting with the homeowner along Mission Bell Drive to allow access to HD Outdoor for the Mission Bell Drive brick fence repair project; (3) approve Invoice No. 1008 in the amount of \$400.00, for graffiti removal by Katy Pressure Washing Pros., as presented, and direct that it be filed appropriately and retained in the District's official records; and (4) approve the parks and recreational facilities report, as presented. Director Bertrand 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 Mr. Mitchell stated 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 the County. 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. Director Villagomez inquired about the possibility of implementing a park pavilion reservation system to be managed through the District's website. The Board considered authorizing the Communications Committee to coordinate with Triton to approve the final reservation system updates.

Following discussion, Director Bertrand moved to authorize the District's Communications Committee to coordinate with Triton to approve the final reservation system for the Magnolia Park pavilion on the District's website. Director Eaglin seconded the motion, which passed unanimously.

MEETING SCHEDULE AND PLANNING MATTERS

The Board discussed the next regular Board meeting and concurred to hold the next meeting on Tuesday, February 20, 2024, at 6:00 p.m. at ABHR.

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



Marlene Weppel
Secretary, Board of Directors

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