

MINUTES
MISSION BEND MUNICIPAL UTILITY DISTRICT NO. 2

March 19, 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 19th day of March 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 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 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 of TBG Partners ("TBG"); 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"); 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 February 20, 2024 (Regular), March 5, 2024 (Greenbelt), and March 11, 2024 (Chelford) meetings. Ms. Miller confirmed there was no quorum at the March 5, 2024 (Greenbelt) or the March 11, 2024 (Chelford) meetings, and therefore there were no minutes presented. Following review and discussion, Director Johnson moved to approve the February 20, 2024 (Regular) minutes, as presented. Director Wepler seconded the motion, which passed unanimously.

2024 DIRECTORS ELECTION

CERTIFICATE DECLARING UNOPPOSED STATUS OF CANDIDATES FOR ELECTION TO THE BOARD OF DIRECTORS

Ms. Miller discussed procedures related to the 2024 Directors Election. She presented a Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors executed by the Board Secretary stating that the District received three candidate applications for the three director positions for the May 4, 2024, Directors Election.

ORDER CANCELLING ELECTION AND DECLARING UNOPPOSED CANDIDATES ELECTED TO OFFICE

Ms. Miller presented and reviewed an Order Cancelling Election and Declaring Unopposed Candidates Elected to Office (the "Order Cancelling") stating that the May 4, 2024, Directors Election is cancelled and that the unopposed candidates, Judy Villagomez, Mary Bertrand, and Marlene Weppler, are declared elected to office to serve from the May 4, 2024, election until the May 6, 2028, Directors Election. She reviewed the posting requirements for the Order Cancelling.

Following review and discussion, Director Eaglin moved to: (1) accept the Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors and direct that it be filed appropriately and retained in the District's official records; and (2) adopt the Order Cancelling, authorize the Secretary's agent to post the Order Cancelling, as required, and direct that it be filed appropriately and retained in the District's official records. Director Johnson seconded the motion, which passed unanimously.

SECURITY SERVICES MATTERS

REPORT FROM HCSO

The Board reviewed and acknowledged receipt of the February 2024 security services report from the HCSO, a copy of which is attached. Deputy Hill reported on recent criminal activity, including activity by a homeless individual at Magnolia Park during the previous month. Deputy Hill stated that the HCSO made contact with the individual and that it appears he has left the District. Director Villagomez inquired about details of the homeless individual's activity after normal operating hours at Magnolia Park, including a timeline of when the overnight activity began. Director Villagomez directed Mr. Vazquez to report any future activity by homeless individuals to Deputy Hill immediately.

Deputy Hill then reported on recent theft incidents at commercial businesses within the District. Ms. Cita reported on graffiti at the Mission Bend Greenbelt Trail ("Trail") bench and Deputy Hill stated that photographs of the graffiti have been submitted to the nuisance abatement team at the HCSO. Following discussion, there was no action on this matter.

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.

He then reported on the Mission Bend Civic Association ("MBCA") meeting on Thursday, March 14, 2024. Deputy Hill stated that the Board discussed the importance of the petitions to install new signage prohibiting commercial vehicles from parking in the District overnight. Director Weppeler stated that the Board will continue to attend MBCA meetings to bring awareness to the petitions. Following 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. 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 Trail in the amount of \$4,392.92.

Mr. Amaya stated that the replacement of two backflow preventors along Bellaire Boulevard with new parts and fillings in the amount of \$1,230.00, and the trimming of the overhanging Crape Myrtle branches at the Altamira subdivision entrance at Estrada Drive in the amount of \$1,030.00, were completed, as approved at the previous regular Board meeting.

Mr. Amaya presented and reviewed estimate no. 1704 from Custom Scapes in the amount of \$850.00, for replacement of irrigation valves at Magnolia Park and at the Altamira subdivision entrance and estimate no. 1705 from Custom Scapes in the amount of \$16,790.00, for landscaping along Bellaire Boulevard, at Magnolia Park, at the Altamira subdivision entrance, and at the Via Del Norte Drive entrance. Copies of the

estimates are attached to the landscape maintenance report. The Board discussed details of the proposed estimates, as presented. Ms. Cita stated that the proposed irrigation replacements presented in estimate no. 1704 should be covered by the previous contractor's warranty. Ms. Cita stated that she will provide the contractor's contact information to Mr. Amaya for coordination of repairs, as needed. The Board considered approving estimate no. 1705 at this time.

Following review and discussion, Director Eaglin moved to: (1) approve estimate no. 1705 from Custom Scapes in the amount of \$16,790.00, as presented, and direct that it be filed appropriately and retained in the District's official records; and (2) approve the landscape maintenance report, as presented. Director Weppler seconded the motion, which passed unanimously.

LIGHTING MAINTENANCE AND REPAIR

The Board discussed lighting maintenance and repair matters. Ms. Johnson reported that lights on two columns along Mission Bell Drive at the Altamira neighborhood entrance have not been shutting off during the day for the last several weeks. Following discussion, the Board concurred unanimously to direct ABHR to report the lighting maintenance issue to J3 Electric, LLC.

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 also reported on sightings of overnight commercial vehicle parking at LVWP during the previous month.

Mr. Vazquez presented and reviewed estimate no. S00032 from Vazquez Electronics in the amount of \$11,500.00, for the removal of a 15-foot electric pole, replacement with a new pole and new electrical cable, and re-installation of the affected camera at Magnolia Park. A copy of the estimate is attached to the monitored surveillance camera system report.

Following review and discussion, Director Eaglin moved to: (1) approve estimate no. S00032 from Vazquez Electronics in the amount of \$11,500.00, as presented, and direct that it be filed appropriately and retained in the District's official records; and (2) approve the surveillance camera system report, as presented. Director Weppler 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 a large, returned check from the District's general operating account to the Cozumel apartment complex during the previous month due to an address change. Director Wepler inquired about the details of the returned check and Mr. Smith stated that mail appeared to not have been forwarded to the apartment complex's new address and that Si's billing team has not been able to reach their administrative office to correct the address matter. Following review and discussion, Director Johnson moved to approve the bookkeeping report, the checks presented for payment, and the investment report, as presented. 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 96.6% of the District's 2023 taxes were collected as of the end of February 2024. Ms. Loaiza reviewed the bills presented for payment including overpayment refunds and adjustments from the previous month. 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 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 the chloramine conversion project necessary for the District to receive surface water. Ms. Moderow reported that the preliminary engineering work is underway. Ms. Moderow presented and reviewed preliminary plans, including a Preliminary Opinion of Probable Cost for the Chloramine Conversion at water plant no. 1 and water plant no. 2, a copy of which is attached to the engineer's report. She stated that the timeline for surface water delivery is estimated for June 2026 and that B&W has been coordinating the meter location with 5Engineering for both water plants. Following discussion, there was no action on this matter.

OPERATION OF DISTRICT FACILITIES

Mr. Smith presented and reviewed the operations report from Si, a copy of which is attached, including routine and preventative maintenance and repairs in the District. Mr. Smith reported that water accountability was 98.45% 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.

The Board discussed an ongoing water leak at 6614 Mission Bell Drive. Mr. Smith stated that Si has notified the residents at the address of the leak twice and that the account is on the termination list this month for review and consideration by the Board.

Director Villagomez inquired about repairs to water plant no. 1. Mr. Fabian stated that repairs at water plant no. 1 are scheduled to begin soon. Director Villagomez inquired about details of the project, including restoration and repainting of the interior of the ground storage tank ("GST"). Mr. Fabian confirmed that repainting of the GST interior can be added to the rehabilitation project, if requested by the Board.

Director Villagomez expressed interest in a tour of the District's facilities and recently completed projects. The Board concurred to further discuss a timeline and schedule for the District's facilities tour at the special March 27, 2024, Board meeting.

Following review and discussion, and based upon the operator's recommendation, Director Eaglin 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 Johnson seconded the motion, which passed unanimously.

REVIEW DROUGHT CONTINGENCY PLAN; ADOPT ORDER ADOPTING AMENDED AND RESTATED DROUGHT CONTINGENCY PLAN

Ms. Miller stated that the Texas Commission on Environmental Quality (“TCEQ”) rules require that the District review and adopt an Amended and Restated Drought Contingency Plan in 2024, prior to May 1, 2024. Ms. Miller reviewed an Amended and Restated Drought Contingency Plan with the Board. Following review and discussion, Director Eaglin moved to adopt an Order Adopting Amended and Restated Drought Contingency Plan; Providing for Implementation and Enforcement Thereof; Providing Penalties for Violations; and Containing Other Provisions Related to the Subject and direct that the Order be filed appropriately and retained in the District’s official records. Director Johnson seconded the motion, which passed unanimously.

CRITICAL LOAD SPREADSHEET FOR DISTRICT’S FACILITIES AND ANNUAL FILING

Ms. Miller presented and reviewed the critical load spreadsheet, which had been provided to the District’s engineer, operator, and bookkeeper for review. She stated the critical load information on the District’s facilities is required to be reviewed at least annually and submitted to the Public Utility Commission, the District’s electricity provider, and other governmental entities, whether or not there are any changes. The District’s engineer, operator, and bookkeeper confirmed there are no substantive changes to the critical load spreadsheet at this time. Following review and discussion, Director Wepler moved to authorize ABHR to file the critical load spreadsheet and direct that it be filed appropriately and retained in the District’s official records. Director Eaglin seconded the motion, which passed unanimously.

REVIEW OF EMERGENCY PREPAREDNESS PLAN

Mr. Fabian discussed the District’s Emergency Preparedness Plan (“EPP”) and requirements to file any updates with the TCEQ. He stated that the District is required to update the personnel and contact information listed in the EPP and submit the updated pages to the TCEQ and other required entities. Following review and discussion, Director Johnson moved to authorize B&W to update the necessary personnel and contact information and submit the updated pages to all required entities. Director Wepler 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 ("Hydroclear") has completed all cleaning and televising except for the 30-inch sanitary sewer line along Via Del Norte and a portion of the sanitary sewer line along State Highway 6. She reported that B&W met with Hydroclear to coordinate completion of the remaining sections. Ms. Moderow stated that Hydroclear attempted to perform additional cleaning, however, due to excessive grease, rags, and solids, they were unable to get their cameras through the lines. Ms. Moderow stated that Hydroclear is requesting to complete the work as an addition to the contract in the amount of \$325.00, per hour, and \$0.60, per gallon, for disposal. She reported that B&W does not recommend that the District proceed with the addition to the contract. Ms. Moderow requested the Board consider authorizing a cheaper option, including soliciting a proposal from Si.

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. Ms. Moderow stated that the District has transmitted easement solicitation letters to each property owner within 150 feet of each water well along with the TCEQ's standard Sanitary Control Easement document to be filled in and notarized for each specific property owner. She stated that B&W will submit the Certified Mail receipts for the letters to the TCEQ, as requested.

WATER PLANT NO. 1 GST REHABILITATION

Mr. Fabian discussed the future rehabilitation of the GST at water plant no. 1. Mr. Fabian stated that B&W has started engineering work for the project and that the bidding timeline is anticipated for Fall 2024. He recommended that recoating of the hydropneumatic tank interior be included in the final project plans.

Mr. Fabian presented and reviewed a resolution expressing intent to reimburse the District's operating account for funds expended related to the design and construction of rehabilitation of the ground storage tank at water plant no. 1. The Board considered adopting the Resolution Expressing Intent to Reimburse the Operating Account (the "Reimbursement Resolution"), subject to finalization.

STORM WATER QUALITY INSPECTIONS AND PERMITTING FOR TERRA DEL SOL

Mr. Fabian discussed storm water quality inspections and permitting at Terra Del Sol. He stated that the District owns the detention pond at Terra Del Sol as well as the storm water quality feature ("SWQF"). Mr. Fabian reported that the District is required to submit a permit renewal for the SWQF. Mr. Fabian stated that B&W is currently gathering information to present an authorization request for quarterly detention pond inspections and SWQF permits for Board review and consideration at the next regular Board meeting.

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.

Following review and discussion, and based upon the engineer's recommendation, Director Eaglin moved to: (1) authorize Si to prepare a proposal for completion of the District-wide sanitary sewer cleaning and televising project, including the 30-inch sanitary sewer line along Via Del Norte and a portion of the sanitary sewer line along State Highway 6, as discussed; (2) authorize B&W to include plans for recoating of the hydropneumatic tank interior to the rehabilitation project for the GST at water plant no. 1, as discussed; (3) adopt the Reimbursement Resolution related to the design and construction of rehabilitation of the GST at water plant no. 1, and direct that it be filed appropriately and retained in the District's official records; and (4) 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.

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 did not take formal action on this matter at their March 2024, Board meeting; however, the Chelford City MUD's engineer has reported that the Board is not interested in granting access to the District. Mr. Fabian stated that B&W will coordinate with Custom Scapes on alternative solutions to be presented at the next regular Board meeting.

Ms. Cita updated the Board on the Phase III improvements project. She stated that schematic design refinement is underway, as previously presented and discussed.

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 80% 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 reported that in-depth review of the west side Trail improvements project construction plans will take place at the special March 27, 2024, Board meeting.

LVWP IMPROVEMENTS

Ms. Cita updated the Board on the western park boundary fence at LVWP. Ms. Cita stated that HD Outdoor Designs, LLC ("HD Outdoor") has completed punch list items. She presented and recommended for approval a Certificate of Final Acceptance, as submitted by HD Outdoor.

VISTA CAMINO DRIVE BRICK FENCE REPAIR

Ms. Cita updated the Board on the brick fence repair at Vista Camino Drive. Ms. Cita stated that a proposal from Fencecrete America, Inc. ("Fencecrete") has been solicited for additional brick fence repairs at 6214 Vista Camino Drive. The Board considered designating Director Villagomez to review

and approve the proposal from Fencecrete before the next regular Board meeting, if appropriate.

Ms. Cita then requested the Board consider authorizing execution of a Service Agreement with HD Outdoor for future District repairs, as previously discussed.

PRESSURE WASHING IN THE DISTRICT

Ms. Cita updated the Board on pressure washing matters within the District. Ms. Cita reported that Director Johnson notified TBG of graffiti on a bench and trellis along the Trail and that photographs have been transmitted to Deputy Hill for HCSO records. She presented and recommended for approval invoice no. 1035 from Katy Pressure Washing Pros. in the amount of \$400.00, for removal of the graffiti, a copy of which is attached to the parks and recreational facilities report.

Following review and discussion, and based upon the landscape architect's recommendation, Director Eaglin moved to: (1) approve a Certificate of Final Acceptance from HD Outdoor for the western park boundary fence at LVWP and direct that it be filed appropriately and retained in the District's official records; (2) designate Director Villagomez to review and approve a proposal from Fencecrete for the brick fence repair at Vista Camino Drive, if appropriate, and direct that it be filed appropriately and retained in the District's official records; (3) authorize execution of a Service Agreement with HD Outdoor for future District repairs and direct that it be filed appropriately and retained in the District's official records; (4) approve invoice no. 1035 from Katy Pressure Washing Pros. in the amount of \$400.00, for removal of the graffiti on a bench and trellis along the Trail during the previous month, and direct that it be filed appropriately and retained in the District's official records; and (5) approve the parks and recreational facilities report, as presented. Director Wepler 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. Mr. Fabian reported that HCP4 has provided an update of the Interlocal Agreements ("ILA") from the County which are being prepared at this time. He stated that, per ILA requirements, the ILA will need to be executed prior to commencement of construction, plans will need to be submitted to HCP4 for review, and a Maintenance Agreement with the Harris County Flood Control District will need to be executed prior to

commencement of construction. Following discussion, there was no action on this matter.

INTERLOCAL AGREEMENTS FOR PUBLIC INFRASTRUCTURE MAINTENANCE

Ms. Miller reported on a meeting with Harris County during the previous month regarding median maintenance matters and traffic solutions in the District. Ms. Cita stated that TBG is compiling an inventory of the District's current irrigation systems and landscaping in Harris County's right-of-way and medians. She reported that HCP4 is considering allowing the District to install curb and cobble stone median tips, as previously discussed. She stated that the next steps are to identify problem medians, develop schematic detailing, and present to HCP4 for possible partnership or grant opportunities. Following discussion, there was no action on this matter.

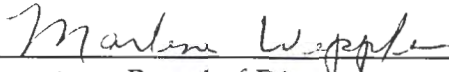
DISTRICT TECHNOLOGY MATTERS

The Board reviewed a communications report from Triton, a copy of which is attached. Following discussion, the Board concurred unanimously to accept the communications report, as presented.

MEETING SCHEDULE AND PLANNING MATTERS

The Board discussed the next special and regular Board meetings and concurred to hold the next special meeting on Wednesday, March 27, 2024, at 12:00 p.m. at the offices of TBG and the next regular meeting on Tuesday, April 16, 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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