

MINUTES  
MISSION BEND MUNICIPAL UTILITY DISTRICT NO. 2

July 16, 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 16<sup>th</sup> day of July 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, thus constituting a quorum.

Also present at the meeting were Deputy Charles Hill of the Harris County Sheriff's Office ("HCSO"); Vicki Busboom of VLB Bookkeeping Services; Daniela Moderow and Miles Fabian of Baxter & Woodman Consulting Engineers, Inc. ("B&W"); Susan Cita of TBG Partners ("TBG"); Hermes Amaya of Custom Scapes & Designs, Inc. ("Custom Scapes"); Lina Loaiza of Bob Leared Interests; Carlous Smith of Si Environmental, LLC ("Si"); Emmanuel Vazquez of Vazquez Electronics, LLC ("Vazquez Electronics"); 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 June 18, 2024 (Regular), July 2, 2024 (Greenbelt), and July 8, 2024 (Chelford) meetings. Ms. Miller confirmed there was no quorum at the July 2, 2024 (Greenbelt) meeting, and that the July 8, 2024 (Chelford) meeting was cancelled, and therefore there were no minutes presented. Following review and discussion, Director Bertrand moved to approve the June 18, 2024 (Regular) meeting 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 June 2024 security services report from the HCSO, a copy of which is attached. Deputy Hill reported on recent criminal activity in the District, including incidents that occurred during the power outage following Hurricane Beryl. He stated that there was an increase in reported assaults, property theft, vehicle burglaries, and vehicle collisions. Deputy Hill confirmed that power has now been restored at all businesses and multi-family housing complexes. Director Wepler inquired about the amount of traffic citations issued during the previous month and Deputy Hill reported on details of traffic infractions within the District.

### UPDATE ON INSTALLATION OF SIGNS PROHIBITING COMMERCIAL VEHICLES FROM PARKING OVERNIGHT

Deputy Hill reported on the ongoing matter of commercial vehicles parking in the District overnight. Deputy Hill stated that towing enforcement initiatives have continued to be conducted and that the HCSO has continued to seek approval of "No Parking" signs at additional locations within the District. Director Bertrand expressed her belief that the Board should increase community engagement in order to obtain additional "No Parking" sign petitions once again when the weather improves. The Board discussed community engagement efforts.

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. 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 at Terra Del Sol in the amount of \$1,015.00; 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 Mission Bend Greenbelt Trail (the "Trail") in the amount of \$4,392.92. Mr. Amaya reviewed an additional invoice from Custom Scapes in the amount of \$900.00, for the disposal of broken branches following Hurricane Beryl.

Mr. Amaya presented and reviewed estimate no. 1741 from Custom Scapes in the amount of \$2,240.00, for water leak repairs along the irrigation systems at Bellaire Boulevard, LVWP, Magnolia Park, and the Tres Lagunas entryway. Director Villagomez directed Custom Scapes to contact her as soon as possible following the discovery of future water leaks along the irrigation systems due to their time sensitive nature.

Director Villagomez inquired about an additional proposal from Custom Scapes for post-Hurricane Beryl residential tree debris disposal located in the public right of way. The Board considered delegating authority to Director Villagomez for approval of an additional proposal from Custom Scapes for such services, if appropriate.

Following review and discussion, Director Bertrand moved to: (1) approve estimate no. 1741 in the amount of \$2,240.00, as presented, and direct that it be filed appropriately and retained in the District's official records; (2) delegate authority to Director Villagomez for approval an additional proposal from Custom Scapes for residential tree debris disposal in the public right of way, as discussed, 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

The Board reviewed the routine lighting and maintenance report by J3 Electric, LLC for items at LVWP, Magnolia Park, and Altamira, a copy of which is attached. Following review and discussion, the Board concurred unanimously to approve the lighting and maintenance report, as presented.

#### DISTRICT SURVEILLANCE CAMERA MATTERS

Mr. Vazquez presented and reviewed a surveillance camera system report, a copy of which is attached. Mr. Vazquez reported on normal activities at Magnolia Park and LVWP during the previous month. He presented and reviewed photographs of individuals at LVWP after park hours, copies of which are attached to the surveillance camera system report. Mr. Vazquez confirmed that the recent widespread power outage following Hurricane Beryl affected cameras for a 24-hour period and that cameras are operational at this time.

Mr. Vazquez reported on certain areas of LVWP that do not have camera coverage at this time. Mr. Vazquez presented and reviewed estimate no. S00056 from Vazquez Electronics in the amount of \$49,800.00, for the purchase and installation of additional cameras at LVWP. A copy of the estimate, as well as a map indicating the proposed locations of the additional cameras, is attached to the surveillance camera

system report. The Board discussed the necessity of additional surveillance cameras at LVWP.

Following review and discussion, Director Bertrand moved to: (1) approve estimate no. S00056 from Vazquez Electronics in the amount of \$49,800.00, 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 certain budget items ahead of the next draft budget presentation for fiscal year end September 30, 2025. Following review and discussion, Director Bertrand 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 98.3% of the District's 2023 taxes were collected as of the end of June 2024. Ms. Loaiza reviewed the bills presented for payment including overpayment refunds and adjustments from the previous month. She stated that the District has not received any payments since Hurricane Beryl, but that the reason could be a widespread mail delivery delay. Following review and discussion, Director Bertrand moved to approve the tax report and payment of the checks drawn on the District's tax account, including overpayment and value adjustment refunds, as presented. Director Johnson seconded the motion, which passed unanimously.

#### RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2024 TAX YEAR

Ms. Miller discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. She reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code. Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developed District for the 2024 tax year. Following review and discussion, Director Bertrand moved to adopt a Resolution Regarding Development Status for the 2024 Tax



Year establishing the District as a Developed District (the "Resolution Regarding Development Status") for the 2024 tax year, pursuant to Section 49.23602, Texas Water Code and direct that the Resolution Regarding Development Status 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

The Board briefly discussed Chelford meeting matters, including the draft Chelford budget for fiscal year end September 30, 2025, a copy of which is attached. Following review and discussion, the Board concurred unanimously to defer discussion and action on the Chelford budget agenda item.

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

Ms. Miller presented and reviewed a Stage I Drought Conditions letter issued by the WHCRWA as well as a Withdrawal of Stage I Drought Conditions letter issued by the WHCRWA due to Hurricane Beryl, copies of which are attached. She discussed details of certain precautions utilized to conserve water in the District following Hurricane Beryl. The Board discussed such precautions and commended Si, as well as the other district operators involved in the WHCRWA, for their quick response to emergency conditions. Following discussion, there was no action on this matter.

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 and that the first advertisement for the project is estimated to take place in January 2025, with opening bids estimated to take place in February 2025. She stated that the timeline for surface water delivery is estimated for June 2026 and that B&W continues to coordinate with 5Engineering on the meter location 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. Mr. Smith reported that water accountability was 95.54% 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 confirmed that the District's Consumer Confidence Report was mailed to water service customers during the previous month.

Mr. Smith reported on emergency repairs to the pump motor at water well no. 1. He presented and reviewed a proposal from C&C Water Services, LLC ("C&C") in the amount of \$325,006.00, for emergency completion of all rehabilitation and repairs to the pump motor. A copy of the proposal is attached to the operator's report. Mr. Smith confirmed that this emergency repair will require an authorization letter from the District's engineer for submission to the Texas Commission on Environmental Quality ("TCEQ") and requested the Board consider approving preparation of the letter by Si and B&W, as discussed.

Director Bertrand reported on a water leak along San Remo Drive and stated that she will provide photographs of the observed leak to Si. Mr. Smith confirmed that Si will investigate the origin of the water leak in the District.

Director Villagomez inquired about the possibility of investigating the cost for installation of water flow sensors throughout the District's irrigation systems. Ms. Cita stated that the District has such sensors at Magnolia Park and LVWP. The Board discussed the previously implemented pilot program for smart water meters in the District and the cost estimate provided for such meters at the time. Mr. Smith inquired whether the Board would be interested in Si soliciting a proposal for smart water meters in the District once again. The Board considered authorizing Si to solicit an updated proposal from Accurate Meter Supply, Inc. ("Accurate") for smart water meters in the District.

#### 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.

Following review and discussion, and based upon the operator's recommendation, Director Bertrand moved to: (1) approve the proposal from C&C in the amount of \$325,006.00, as presented, and direct that it be filed appropriately and retained in the District's official records; (2) authorize preparation of a letter from Si and B&W regarding the emergency completion of repairs to the pump motor at water well no. 1 for submission to the TCEQ, as discussed, and direct that it be filed appropriately and retained in the District's official records; (3) authorize Si to solicit an updated proposal from Accurate for smart water meters in the District; (4) approve the operations report, as presented; and (5) 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.

## ANNUAL WATER LOSS AUDIT

Mr. Smith stated that all retail public water suppliers are required to submit a water loss audit report to the Texas Water Development Board ("TWDB"). Mr. Smith stated that the next scheduled audit is for the year 2023 and is due by December 31, 2024. Following review and discussion, Director Bertrand moved to: (1) approve the 2023 Water Loss Audit Report; (2) authorize the District's operator to file the audit report with the appropriate government agencies, including the TWDB, as required; and (3) direct that the audit report be retained in the District's official records. Director Eaglin seconded the motion, which passed unanimously.

## WATER CONSERVATION PLAN ("WCP"); WATER CONSERVATION ANNUAL REPORT; WATER CONSERVATION UTILITY PROFILE; ORDER ADOPTING WCP

Mr. Smith reviewed the WCP Annual Report and Five-Year Implementation Report on the WCP with the Board. Ms. Miller stated that TCEQ rules require the District review and adopt an Amended and Restated WCP prior to December 31, 2024. Following review and discussion, Director Bertrand moved to: (1) approve the Water Conservation Annual Report and Five-Year Implementation Report, subject to finalization by Si, direct that the reports be filed appropriately and retained in the District's official records, and authorize the District's Operator to submit the reports to the appropriate government agencies; and (2) adopt an Order Adopting WCP, subject to finalization by Si, direct that the Order be filed appropriately and retained in the District's official records, and authorize the District's operator to submit the WCP to the appropriate government agencies. 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 stated that the natural gas generator was delivered to water plant no. 2 on June 5, 2024, and that CenterPoint Energy was scheduled to install the gas meter on July 10, 2024; however, due to Hurricane Beryl, the installation of the gas meter was cancelled, and the new installation date has not been determined. She stated that the motor for the new wooden gate has been installed.

Ms. Moderow presented and recommended for approval Pay Estimate No. 4 from Long & Son, Inc. in the amount of \$617,497.20. She confirmed that this amount represents partial payment for the installation of the new natural gas

generator, new wooden security fence, concrete sidewalk, and modifications within the existing building at water plant no. 2. Ms. Moderow stated that the work appears to have been completed in conformance with plans and specifications.

#### SANITARY SEWER CLEANING AND TELEVISIONING PROJECT

The Board discussed the District-wide sanitary sewer cleaning and televising project. Ms. Moderow presented and reviewed a sanitary sewer evaluation report prepared by B&W, a copy of which is attached. Mr. Fabian confirmed that the sanitary sewer rehabilitation project is a future bond project. Director Eaglin inquired about details of the project. Mr. Fabian discussed the age of the District's sanitary sewer lines and the necessary repairs to the lines. Mr. Fabian also explained the estimated phasing of the project.

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

Mr. Fabian discussed the future rehabilitation of the GST at water plant no. 1. He reported that B&W is preparing the plans and specifications and that contract documents for the project are anticipated to be completed soon. He stated that B&W plans to advertise for bids for the project in August 2024.

#### STORM WATER QUALITY ("SWQ") INSPECTIONS AND PERMITTING FOR TERRA DEL SOL

Mr. Fabian discussed SWQ inspections and permitting at Terra Del Sol. He stated that B&W has conducted an inspection and presented and reviewed a detention pond inspection report, a copy of which is attached. Mr. Fabian reported that Harris County (the "County") is reviewing the permit application submitted by the District.

#### 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 that B&W has reviewed the plans submitted by the developer and issued a plan review letter on April 22, 2024. He confirmed that B&W is awaiting the revised plans from the developer.

Mr. Fabian updated the Board on the request for a capacity commitment letter for buildings C and D at Star Pipe Warehouse located at 4018 Westhollow Parkway. He stated that the developer has provided the County with approved plans and a development permit.



Following review and discussion, and based upon the engineer's recommendation, Director Bertrand moved to: (1) approve Pay Estimate No. 4 in the amount of \$617,497.20, for the permanent generators project to serve the District; and (2) 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 IMPROVEMENTS

Mr. Fabian confirmed that B&W has received the base file from TBG for the Phase III improvements project and is working on preliminary engineering for the detention and drainage for park improvements. He stated that the County records request did not return any historical as-built drawings of the detention pond to confirm whether there is spare capacity in the existing detention pond. Mr. Fabian confirmed that B&W has attempted to coordinate with the District's previous engineer for the plans, but they have not been able to locate them. He stated that B&W will proceed with preparing a new drainage area map and storm water calculations for the existing conditions.

Mr. Fabian updated the Board on the permanent access to Magnolia Park project. He stated that B&W is preparing the construction plan set to submit to Harris County Flood Control District ("HCFCD") for review and approval. He confirmed that B&W will solicit bids for the project after HCFCD approval.

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 TBG is preparing trail landscaping sheets. Mr. Fabian reported that once the design plans are complete, B&W will submit the plans for approval by the County.

Ms. Cita reported on the review of the west side Trail improvements project and construction plans. She stated that TBG has received additional utility documentation from B&W and that the information is being incorporated into the construction plans.

Ms. Cita stated that TBG has solicited proposals for the fabrication and installation of the previously approved “Coming Soon” sign graphics but reported that no proposals have been received due to the high volume of post-Hurricane Beryl sign repair projects.

#### LVWP IMPROVEMENTS

Ms. Cita stated there are no action items at this time.

#### PRESSURE WASHING IN THE DISTRICT

Ms. Cita stated there are no action items at this time.

#### MEDIAN IMPROVEMENTS

Ms. Cita provided an update on vehicular damage prevention to medians in the District. Ms. Cita reported that TBG has developed schematic detailing for the Harris County Precinct No. 4 (“HCP4”) grant application through the 2024 Places for People Call for Projects.

Following review and discussion, and based upon the landscape architect’s recommendation, the Board concurred unanimously to approve the parks and recreational facilities report, as presented.

#### HCP4 MATTERS

##### PLACES FOR PEOPLE CALL FOR PROJECTS 2023

The Board discussed the award of two grants to the District for the 2023 Places for People Call for Projects by HCP4. Mr. Fabian reported that there are no new updates at this time and that the Interlocal Agreements from HCP4 are being prepared. Following discussion, there was no action on this matter.

##### PLACES FOR PEOPLE CALL FOR PROJECTS 2024

The Board discussed applications for 2024 grants for the Places for People Call for Projects by HCP4. Ms. Cita confirmed that applications for capital improvement projects, including LVWP Improvements, Magnolia Park Improvements, and District Median Improvements were submitted during the previous month for the 2024 grant program. She reported that the Trail Lighting Improvements project application could not be submitted because the estimated cost for the project was lower than HCP4’s minimum project threshold. Director Villagomez inquired whether the District has obtained permission to proceed with the Trail Lighting Improvements project. Ms. Miller confirmed that the District does not yet have such permission; however, she recommended that the

Board consider authorizing B&W to prepare a proposal for engineering work associated with the project.

Following discussion, the Board concurred unanimously to authorize B&W to prepare a proposal for engineering work associated with the Trail Lighting Improvements project, as discussed.

INVENTORY AND INTERLOCAL AGREEMENT FOR PUBLIC INFRASTRUCTURE MAINTENANCE

Ms. Cita restated that TBG has compiled an inventory of the District's current irrigation systems and landscaping in HCP4's right-of-way and medians. 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. Ms. Wheeler reported that a news post regarding Hurricane Beryl as well as a Fourth of July safety message were published during the previous month. She reminded the Board that additional information can be published on the District's website, if necessary, at any time. Ms. Wheeler reported that there were no new issues or inquiries through the park reservation tracker system. Director Bertrand inquired about website views during the previous month. Ms. Wheeler confirmed that website analytics have increased. Following discussion, the Board concurred unanimously to accept the communications report from Triton, as presented.

MEETING SCHEDULE AND PLANNING MATTERS

The Board discussed the next regular Board meeting and concurred to hold the next regular meeting on Tuesday, August 20, 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.



*Marlene Weppeler*  
Secretary, Board of Directors

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