

MINUTES
MISSION BEND MUNICIPAL UTILITY DISTRICT NO. 2

January 28, 2025

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 28th day of January 2025, 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"); Daniela Moderow and Miles Fabian of Baxter & Woodman Consulting Engineers, Inc. ("B&W"); Michelle Townes of McCall Gibson Swedlund Barfoot PLLC ("McCall Gibson"); Susan Cita of TBG Partners ("TBG"); Lina Loaiza of Bob Leared Interests; Carlous Smith of Si Environmental, LLC ("Si"); Hermes Amaya of Custom Scapes & Designs, Inc. ("Custom Scapes"); and Christina Miller and Patrick Coleman 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 December 17, 2024 (Regular) and January 7, 2025 (Greenbelt) meetings. Ms. Miller confirmed there was no quorum at the January 13, 2025 (Chelford) meeting, and therefore there were no minutes presented. Following review and discussion, Director Johnson moved to approve the minutes of the December 17, 2024 (Regular) and January 7, 2025 (Greenbelt) meetings, as presented. Director Wepler seconded the motion, which carried unanimously.

SECURITY SERVICES MATTERS

REPORT FROM HCSO

The Board reviewed and acknowledged receipt of the December 2024 security services report from the HCSO, a copy of which is attached. Deputy Hill reported on recent security matters in the District, including the status of the District following the January freeze and the towing of 26 inoperable vehicles restricting traffic near Auto Parkway and Branham Drive. Deputy Hill responded to the Board's questions, comments, and requests regarding security matters.

Director Bertrand arrived.

UPDATE ON INSTALLATION OF SIGNS PROHIBITING COMMERCIAL VEHICLES FROM PARKING OVERNIGHT

The Board discussed the ongoing issue regarding commercial vehicles parking in the District overnight. Ms. Miller confirmed that ABHR will continue to submit the petitions to the Mission Bend Civic Association, upon receipt.

PARK MAINTENANCE MATTERS

The Board reviewed a landscape maintenance report from Custom Scapes, a copy of which is attached. The Board reviewed the general landscape maintenance invoices, 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.

The Board reviewed the following estimates from Custom Scapes: estimate no. 1794 in the amount of \$2,539.00, to sand down and repaint the iron fence at LVWP; estimate no. 1795 in the amount of \$4,890.00, to sand down and repaint the iron fence at Magnolia Park; estimate no. 1796 in the amount of \$6,810.00, to replace the three Victor Stanley trash cans at LVWP; estimate no. 1797 in the amount of \$6,390.00, to sand down and repaint all iron benches, two gazebos, and eight trash cans at LVWP and Magnolia Park; and estimate no. 1798 in the amount of \$15,320.00, to remove wildflowers along the ditch and install 34 pallets of Bermuda grass at Mission Bend Trail near Magnolia Park. Copies of the estimates are attached to the landscape maintenance report. Discussion ensued. Director Johnson indicated that she was not in support of estimate no. 1798.

Following review and discussion, Director Bertrand moved to: (1) approve the monthly landscaping invoices; (2) approve estimate no. 1794 in the amount of \$2,539.00; (3) approve estimate no. 1795 in the amount of \$4,890.00; (4) approve estimate no. 1796 in the amount of \$6,810.00; (5) approve estimate no. 1797 in the amount of \$6,390.00; (6) approve estimate no. 1798 in the amount of \$15,320.00; and (7) approve the landscape maintenance report, as presented. Director Weppeler seconded the motion, which carried by a vote of 4-1 with Director Johnson voting nay.

LIGHTING MAINTENANCE AND REPAIR

The Board reviewed a 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 accept the lighting and maintenance report, as submitted.

DISTRICT SURVEILLANCE CAMERA MATTERS

The Board reviewed a surveillance camera system report, which included photographs taken from the surveillance cameras. A copy of the surveillance camera system report is attached. Following review and discussion, the Board concurred unanimously to accept the surveillance camera system report, as submitted.

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 for payment, and the investment report, as submitted. Director Eaglin seconded the motion, which carried unanimously.

ANNUAL DISCLOSURE STATEMENTS FOR INVESTMENT OFFICER AND BOOKKEEPER

Ms. Miller 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. Ms. Miller 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 carried unanimously.

DISCUSS ASSOCIATION OF WATER BOARD DIRECTORS WINTER CONFERENCE, APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES, AND AUTHORIZE ATTENDANCE AT SUMMER CONFERENCE.

The Board discussed the Association of Water Board Directors winter conference. The Board then considered authorizing attendance at the summer conference. After discussion, Director Bertrand moved to approve reimbursement of all eligible expenses for Directors who attended the winter conference, which the bookkeeper confirmed were submitted in accordance with the District's guidelines, and to authorize attendance of any interested Directors at the summer conference. Director Weppler seconded the motion, which carried unanimously.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE

Ms. Miller 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, 2024

Ms. Townes presented and reviewed the District's audit for the fiscal year end September 30, 2024, 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 rules. Director Eaglin seconded the motion, which carried unanimously.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Loaiza presented and reviewed the monthly tax report, a copy of which is attached, reflecting that 47.7% of the District's 2024 taxes were collected as of December 31, 2024. Ms. Loaiza reviewed the bills presented for payment, including overpayment refunds and adjustments from the previous month. Following review and discussion, Director Eaglin moved to approve the tax report and payment of the checks drawn from the District's tax account, including overpayment and value adjustment refunds, as presented. Director Bertrand seconded the motion, which carried unanimously.

ADOPTION OF COVERED APPLICATIONS POLICY

Ms. Miller discussed legislation enacted by the Texas Legislature that requires all governmental entities to adopt a policy prohibiting the use of certain social media applications and services on government-owned or -leased devices. She stated that a model policy was developed by the Texas Departments of Public Safety and Information Resources for use by governmental entities. Ms. Miller reviewed the proposed Covered Applications Policy with the Board. After review and discussion, Director Johnson

moved to adopt a Resolution Adopting Covered Applications Policy and direct that the Resolution be filed appropriately and retained in the District's official records. Director Eaglin seconded the motion, which carried unanimously.

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

There was no discussion on this agenda item.

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

Mr. Fabian reported on the WHCRWA surface water supply project and the District's related chloramine conversion project. He stated that B&W is finalizing the agency review set and anticipates submitting the plans for review by the end of the week. He noted that the anticipated delivery of surface water is June 2026.

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 92.39% 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.

Director Bertrand inquired about the previously reported fire hydrant leaks on Ladera Drive and Vista Camino Drive, and the standing water near the Iman Academy that the Board directed Si to investigate. She stated that the repairs had not been made since the last Board meeting. Discussion ensued. Following discussion, the Board considered authorizing Si to replace the fire hydrant near the Iman Academy following Si's inspection and determination that the standing water is caused by a leaking fire hydrant and directed Si to complete the repairs discussed during the December 17, 2024, Board meeting. Mr. Smith indicated that he would provide the Board an update on the pending repairs via email the day following the meeting.

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 operations report, as presented; (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; (3) approve the replacement of the fire hydrant near the Iman Academy, as discussed; and (4) direct Si to complete the repairs discussed during the December 17, 2024 Board meeting. Director Eaglin seconded the motion, which carried 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 contractor is currently working on the water well rehabilitation and that the startup for the generator will be scheduled once the well motor is installed. Ms. Moderow presented and recommended for approval Pay Estimate No. 10 in the amount of \$42,552.75, submitted by Long & Son, Inc. She confirmed that this amount represents partial payment for the booster pump station, discharge header pipe supports, general electrical installation, and MCC modifications at Water Plant No. 1. Ms. Moderow stated that the work appears to have been completed in conformance with plans and specifications. Ms. Moderow and Mr. Fabian responded to the Board's questions, comments, and requests regarding the construction of the permanent generators to serve the District.

SANITARY SEWER CLEANING AND TELEVISIONING PROJECT

The Board discussed the District-wide sanitary sewer cleaning and televising project. Ms. Moderow stated that there is no update on this item.

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

The Board discussed the rehabilitation of the GST at Water Plant No. 1. Mr. Fabian stated that there is no update on this item. He noted that B&W continues to wait to receive Cor Iesu, LLC's bonds, and insurance for review.

WATER PLANT NO. 2 GROUND STORAGE TANK ("GST 2") REHABILITATION

The Board discussed the rehabilitation of the GST 2 at Water Plant No. 2. Mr. Fabian stated that the contractor addressed the deficiencies, booster pump

pipings and valves. He noted that the contractor completed interior touch-ups and is working on the exterior.

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

Mr. Fabian discussed SWQ inspections and permitting at Terra Del Sol. He reported that Terra Del Sol Section 7 passed the SWQ inspection, and that the County issued the Certificate of Compliance. He noted that the current permit expires on January 10, 2026. Mr. Fabian stated that B&W has performed the quarterly detention pond inspection and presented and reviewed the inspection report, a copy of which is attached.

The Board reviewed the stormwater management program report submitted by Storm Water Solutions, LLC, a copy of which is attached.

REQUESTS FOR SERVICE OR UTILITY COMMITMENT LETTERS

Mr. Fabian updated the Board on the unauthorized construction alterations made by the World Food Mart, located at 6701 Tres Lagunas Drive ("World Food Mart"), to their utility facilities. He reported that a notice was sent to World Food Mart requesting a written response and a plan of action to remedy their violations of the District's Rate Order by January 22, 2025. He noted that B&W has not received a response from World Food Mart.

Following review and discussion, and based upon the engineer's recommendation, Director Bertrand moved to: (1) approve Pay Estimate No. 10 in the amount of \$42,552.75, for the Permanent Generator Project; (2) authorize transmittal of a Rate Order violation notice to World Food Mart; and (3) approve the engineer's report, as presented. Director Eaglin seconded the motion, which carried 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 updated the Board on the Phase III improvements project. He stated that B&W continues to work on the drainage analysis for the site. Mr. Fabian updated the Board on the permanent access to Magnolia Park project. He stated that B&W is revising the plans and anticipates resubmitting them to the Harris County Flood Control District ("HCFCD") for review and approval by the end of the week.

Ms. Cita updated the Board on the Phase III improvements project. She stated that schematic design refinement continues.

TRAIL IMPROVEMENTS PROJECT

Mr. Fabian updated the Board on the Mission Bend Greenbelt trail improvement project. He stated that the agency submittal set is complete, and that B&W anticipates 60 days for all agency reviews.

Mr. Fabian updated the Board on B&W's coordination with J3 Electric on the proposed lighting structures along the Trail in order to prepare the plan and send them to HCFCD for review and approval. He stated that there is no update on this matter.

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

LVWP IMPROVEMENTS

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

Ms. Cita reported on the installation of a new 8-foot brick fence at LVWP. She stated that AT&T and Centerpoint easement research is underway.

PRESSURE WASHING IN THE DISTRICT

Ms. Cita updated the Board on pressure washing at Magnolia Park. She presented a proposal from Katy Pressure Washing Pros in the amount of \$1,689.72 for pressure washing the walkway from the road to the park entry, brick walls, and columns at Magnolia Park.

MEDIAN IMPROVEMENTS

Ms. Cita stated that there were no recent updates to report.

Following review and discussion, and based upon the landscape architect's recommendation, Director Johnson moved to: (1) approve the proposal from Katy Pressure Washing Pros in the amount of \$1,689.72, as presented; and (2) approve the parks and recreational facilities report, as presented. Director Eaglin seconded the motion, which carried unanimously.

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

PLACES FOR PEOPLE CALL FOR PROJECTS 2023

Ms. Miller reported to the Board that the interlocal agreement was approved by Harris County on January 9, 2025.

INVENTORY AND INTERLOCAL AGREEMENT FOR PUBLIC INFRASTRUCTURE MAINTENANCE

Ms. Cita updated the Board on the status of compiling an inventory of the District's current irrigation systems and landscaping in HCP4's right-of-way and medians.

DISTRICT TECHNOLOGY MATTERS

The Board reviewed a communications report from Triton, a copy of which is attached, which included news posts published during the previous month and the monthly tracking report. Following review and discussion, the Board concurred unanimously to accept the communications report from Triton, as submitted.

MEETING SCHEDULE AND PLANNING MATTERS

The Board discussed the next regular Board meeting and concurred to hold the next regular meeting on Tuesday, February 18, 2025, at 6:00 p.m. at the offices of ABHR.

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

(SEAL)



Marlene Weppeler
Secretary, Board of Directors

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