

MINUTES
MISSION BEND MUNICIPAL UTILITY DISTRICT NO. 1

March 17, 2025

The Board of Directors (the "Board") of Mission Bend Municipal Utility District No. 1 (the "District") met in regular session, open to the public, on the 17th day of March, 2025, at the Chelford City Regional Wastewater Treatment Facility, 15027 Alief-Clodine Road, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Deborah B. Cupples	President
Kay Haynie	Vice President
Carol McDonald	Secretary
Mike Alderfer	Assistant Vice President
Carl S. Roecker	Assistant Secretary

and all of said persons were present except Director Cupples, thus constituting a quorum.

Also present at the meeting were Joanne Yu of the homeowners association; Linda Castro of Off Cinco; Simon Van Dyk of Touchstone District Services ("Touchstone"); Greg McGrath of McGrath & Co. PLLC; Darrell Hawthorne of Municipal Accounts & Consulting, L.P. ("MAC"); Carlous Smith of Si Environmental, LLC ("Si"); Cameron Brown of Assessments of the Southwest, Inc. ("ASW"); Jolie Craft of Vogler & Spencer Engineering, Inc. ("Vogler"); and Angie Lutz, Audrey Biscoe, and Kerri Houck of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Director Cupples offered any members of the public attending the meeting the opportunity to make public comment. There being no members of the public requesting to make public comment, Director Cupples moved to the next agenda item.

MINUTES

The Board considered approving the minutes of the February 17, 2025, regular meeting and the minutes of the February 3, 2025, special meeting. After review and discussion, Director Roecker moved to approve the minutes, as presented. Director Alderfer seconded the motion, which passed unanimously.

AUTHORIZE AUDITOR TO CONDUCT THE AUDIT

The Board reviewed a continuation letter, a copy of which is attached, with McGrath & Co., PLLC ("McGrath") for conducting the District's audit for the fiscal year

authorize McGrath to prepare the audit for the fiscal year ending March 31, 2025. Director Alderfer seconded the motion, which passed unanimously.

REVIEW WEBSITE PROPOSALS AND AUTHORIZE APPROPRIATE ACTION

The Board discussed the potential need for a District website and reviewed proposals from Off Cinco and Touchstone, copies of which are attached. Ms. Castro introduced herself and discussed services that Off Cinco can provide for a District website. Mr. Van Dyk then introduced himself to the Board and discussed services that Touchstone can provide for a District website. Discussion ensued, and the Board concurred to discuss this further at the next meeting.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Hawthorne distributed and reviewed the bookkeeper's report, including a summary of investments and list of checks presented for approval, a copy of which is attached.

Mr. Hawthorne presented and reviewed the proposed budget for the fiscal year ending March 31, 2026, a copy of which is attached to the bookkeeper's report.

After review and discussion, Director Roecker moved to (1) approve the bookkeeper's report, the summary of investments, and payment of the bills; and (2) adopt the budget for fiscal year ending March 31, 2026, as presented. Director Roecker seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Brown distributed and reviewed the tax assessor/collector's report, including the delinquent tax roll, a copy of which is attached. He stated that 91.56% of the 2024 taxes had been collected as of February 28, 2025. Mr. Brown then reviewed a request from a resident to waive their penalties and interest on their delinquent tax account. Ms. Briscoe stated that pursuant to the tax code, penalties and interest cannot be waived due to not receiving your bill. Following review and discussion, Director Alderfer moved to (1) approve the tax assessor/collector's report and payment of the tax bills; and (2) deny the resident's request to waive penalties and interest on their delinquent tax account. Director Roecker seconded the motion, which passed unanimously.

AMENDMENT TO THE AGREEMENT FOR SERVICES OF TAX ASSESSOR/COLLECTOR

Mr. Brown presented and reviewed a Seventh Amendment to Agreement for Services of Tax Assessor/Collector (the "Amendment") and reviewed the changes to the contract. Following review and discussion, Director Roecker moved to approve the Amendment, subject to final review. Director Alderfer seconded the motion, which

passed unanimously.

OPERATION OF DISTRICT FACILITIES

Mr. Smith presented the operator's report, a copy of which is attached, and reviewed general maintenance and repairs that have occurred since the last meeting. He also reviewed the Integrated Water System report, which is included in the operator's report. Mr. Smith reported water accountability for last month was 95.24%.

Ms. Briscoe reported that the District is required to review the District's Drought Contingency Plan annually. Mr. Smith reported that no changes need to be made at this time. Discussion ensued and the Board concurred that no changes are needed at this time.

The Board reviewed the District's critical load spreadsheet, which had been previously provided to the District's operator, engineer, and bookkeeper for review. Ms. Briscoe noted that the critical load information related to the District's facilities is required to be reviewed at least annually and provided to certain entities, which include the District's electricity provider, the Public Utility Commission, and other governmental entities.

After review and discussion, Director Alderfer moved to (1) approve the operator's report; and (2) approve the critical load spreadsheet, authorize providing it to the appropriate entities, and direct that a copy be retained in the District's official records. Director Roecker seconded the motion, which passed unanimously.

HEARING ON TERMINATION OF WATER SERVICE

Mr. Smith presented to the Board a list of delinquent customers 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 the utility service bill and to show reason why utility service should not be terminated for the reason of non-payment. Following review and discussion, Director Alderfer moved to 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 Roecker seconded the motion, which passed unanimously.

AMENDMENT TO THE PROFESSIONAL SERVICE CONTRACT FOR OPERATIONS

Mr. Smith presented and reviewed a First Amendment to Professional Service Contract for Operations (the "Amendment"). Following review and discussion, Director Roecker moved to approve the Amendment, subject to final review. Director Alderfer seconded the motion, which passed unanimously.

ENGINEER'S REPORT

Ms. Craft distributed and reviewed the engineer's report, a copy of which is attached. She updated the Board regarding development in the District and reviewed repairs and maintenance of District facilities since the last meeting.

Ms. Craft updated the Board on the District's capital improvement projects.

Ms. Craft updated the Board on the generator addition at Water Plant No. 2.

Ms. Craft updated the Board on the electrical upgrades at Water Plant No. 1 and No. 2 and recommended approval of Pay Application No. 4 in the amount of \$280,125.00 payable to McDonald Municipal and Industrial.

Ms. Craft updated the Board on the sanitary sewer rehabilitation and reviewed a proposal from Ram Rod Utilities, LLC to grout an abandoned sewer line for a cost of \$7,600.00.

Ms. Craft then updated the Board on the plans for the chloramine conversion at Water Plant No. 1 and No. 2.

Ms. Craft updated the Board on requests for service in the District.

Ms. Craft updated the Board on the following matters, none of which required any action by the Board: (1) the Mission Bend Integrated Water System; (2) Chelford City Regional Wastewater Treatment Plant ("CCRWTP") operations; and (3) the GIS system. Additional details regarding each matter are included in the engineer's report.

Ms. Craft discussed the cash call requested by CCRWTP and noted that the District's pro rata share is \$391,634.50.

Ms. Craft discussed the District's Emergency Preparedness Plan ("EPP") and requirements to file any updates with the Texas Commission on Environmental Quality ("TCEQ"). She stated that the EPP will need to be updated to reflect the new generators installed. Ms. Briscoe stated the District is required to update the EPP and submit the updated pages to the TCEQ and other required entities.

Following review and discussion, Director McDonald moved to (1) approve the engineer's report; (2) approve Pay Application No. 4 in the amount of \$280,125.00 for the electrical upgrades at Water Plant No. 1 and No. 2; (3) approve the proposal from Ram Rod Utilities, LLC to grout the abandoned sewer line for a cost of \$7,600.00; and (4) update the necessary information within the EPP and submit the updated pages to all required entities. Director Alderfer seconded the motion, which passed unanimously.

PHASE II SMALL MS4 GENERAL PERMIT AND STORM MANAGEMENT PLAN

There was no update on this item.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

There were no additional reports.

The Board noted its next regular meeting date will be April 21, 2025, at 6:00 p.m. at the Chelford City Regional Wastewater Treatment Facility. There being no further business to come before the Board, the meeting was adjourned.



(SEAL)

A handwritten signature in cursive script, appearing to read "Amy McDaniel", written over a horizontal line.

Secretary, Board of Directors

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