

MINUTES
MISSION BEND MUNICIPAL UTILITY DISTRICT NO. 1

February 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 February, 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, thus constituting a quorum.

Also present at the meeting were David Beyer of Storm Water Solutions LLC; Mary Ann Mihills 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 Whitney Higgins, 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 December 16, 2024, regular meeting and the minutes of the December 2, 2024, and January 6, 2025, special meetings. After review and discussion, Director Haynie moved to approve the minutes, as presented. Director Alderfer seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Mihills 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.

Ms. Mihills 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. She requested the Board and consultants provide any comments to her prior to the next meeting.

The Board discussed the Association of Water Board Directors winter conference and considered authorizing attendance at the summer conference.

After review and discussion, Director Alderfer moved to (1) approve the bookkeeper's report, the summary of investments, and payment of the bills; and (2) 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 Roecker seconded the motion, which passed unanimously.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Ms. Briscoe reported on the District's compliance activities during the prior calendar year related to bond financings. She stated that no corrective action is required at this time.

ANNUAL DISCLOSURE STATEMENTS

In accordance with the District's Investment Policy, the Board considered the annual disclosure statements of Mark Burton and Ghia Lewis as the District's bookkeeper and investment officer, respectively. Ms. Mihills explained that the statements disclose any relationships with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District, and the disclosure statements will be filed with the Texas Ethics Commission and the District. After review and discussion, Director Haynie moved to accept the disclosure statements as presented and to authorize they be appropriately filed. Director Roecker seconded the motion, which passed unanimously.

TAX ASSESSEMENT 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 77.71% of the 2024 taxes had been collected as of January 31, 2025. Following review and discussion, Director Alderfer moved to approve the tax assessor/collector's report and payment of the tax bills. Director Roecker seconded the motion, which passed unanimously.

RESOLUTION CONCERNING TAX EXEMPTIONS

Ms. Briscoe discussed the District's tax rate exemptions, and the Board considered adopting a Resolution Concerning Exemption from Taxation ("Resolution"). She stated

the District currently offers a \$15,000 exemption for individuals who are disabled or 65 years of age or older. After review and discussion, Director Cupples moved to adopt the Resolution exempting from ad valorem taxation by the District \$15,000 of the appraised value of residence homesteads of individuals who are disabled or 65 years of age or older and rejecting the general homestead exemption, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Haynie 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 94.55%.

Mr. Smith reviewed a summary of repairs from the sanitary and storm sewer survey. Mr. Smith stated that the total approximate cost for the repairs is \$55,580.00 plus time and materials.

After review and discussion, Director Cupples moved to (1) approve the operator's report; and (2) authorize the operator to conduct the repairs from the sanitary and storm sewer survey for an approximate cost of \$55,580.00 plus time and materials. 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 Cupples 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.

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 and recommended approval of Pay Estimate No. 11 in the amount of \$1,480.00 payable to McDonald Municipal and Industrial.

Ms. Craft updated the Board on the electrical upgrades at Water Plant No. 1 and No. 2 and recommended approval of Pay Estimate No. 2 in the amount of \$122,476.50 and Pay Estimate No. 3 in the amount of \$57,418.20 payable to McDonald Municipal and Industrial. She then recommended approval of Change Order No. 1 to the contract with McDonald Municipal and Industrial for the water plant upgrades to increase the contract in the amount of \$60,495.00. The Board determined that Change Order No. 1 is beneficial to the District.

Ms. Craft updated the Board on the sanitary sewer rehabilitation and recommended approval of Pay Estimate No. 2 and Final in the amount of \$44,696.30 payable to Ram Rod Utilities, LLC. Ms. Craft then presented a certificate of completion and recommended the Board accept the project.

Ms. Craft then updated the Board on the plans for the chloramine conversion at Water Plant No. 1 and No. 2 and requested authorization to advertise for bids.

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.

The Board discussed the cash call requested by CCRWTP and Ms. Craft noted that the District's pro rata share is \$391,634.50. Ms. Craft stated that the CCRWTP has offered that it could establish a higher per-connection fee in lieu of a cash call, should all the participants agree. Following discussion, the Board determined that the cash call is a more desirable option than a higher per-connection fee.

The Board then discussed the call-in option for the monthly CCRWTP meeting. Following discussion, the Board concurred in a vote 5-0 that the call-in option is not beneficial to the meeting.

Following review and discussion, Director Alderfer moved to (1) approve the engineer's report; (2) approve Pay Estimate No. 11 in the amount of \$1,480.00 for the generator addition at Water Plant No. 2; (3) approve Pay Estimate No. 2 in the amount of \$122,476.50 and Pay Estimate No. 3 in the amount of \$57,418.20 for the electrical upgrades at Water Plant No. 1 and No. 2; (4) approve Change Order No. 1 as an increase to contract with McDonald Municipal and Industrial in the amount of \$60,495.00 for the water plant upgrades, based upon the Board's finding that the Change Order is beneficial to the District; (5) approve Pay Estimate No. 2 and Final in the amount of \$44,696.30 for the

sanitary sewer rehabilitation and to accept the project; and (6) authorize the engineer to advertise for bids for the chloramine conversion at Water Plant No. 1 and No. 2. Director Haynie seconded the motion, which passed unanimously.

APPROVE PAYROLL CONTRACT

Ms. Mihills reviewed a Client Services Agreement with HR&P, Inc. for payroll services to the Directors of the District. Following review and discussion, Director McDonald moved to approve the agreement for payroll services. Director Roecker seconded the motion, which passed unanimously.

ADOPTION OF COVERED APPLICATIONS POLICY

Ms. Briscoe 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. Briscoe reviewed the proposed Covered Applications Policy with the Board. After review and discussion, Director Cupples 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 Haynie seconded the motion, which passed unanimously.

PHASE II SMALL MS4 GENERAL PERMIT AND STORM MANAGEMENT PLAN

Mr. Beyer updated the Board on the District's Stormwater Management Plan ("SWMP"). He distributed and reviewed the year 6 annual report for the SWMP and a summary of the year 1 training and goals under the SWMP, copies of which are attached. He presented a utility bill insert regarding stormwater runoff and prevention of stormwater pollution, a copy of which is also attached.

Mr. Beyer began his training session with the Board and other consultants. The topic of the year 1 training was stormwater pollution prevention, the minimum control measures, and bacteria-specific elements. Mr. Beyer explained the importance of keeping household hazardous waste, pet waste, and yard waste out of the storm sewers to prevent adding to bacterial impairment. He then continued with the training, thoroughly explaining the sources of bacteria and outlining the program elements of the SWMP that deal with these sources.

After review and discussion, Director Haynie moved to (1) approve and authorize filing of the year 6 annual SWMP report; and (2) authorize distribution of the utility bill insert to District customers, including posting the flyer to the District's website. Director Roecker seconded the motion, which passed unanimously.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

There were no additional reports.

The Board noted its next regular meeting date will be March 17, 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)



Carol McDonald

Secretary, Board of Directors

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