

MINUTES
MISSION BEND MUNICIPAL UTILITY DISTRICT NO. 1

March 16, 2026

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 16th day of March, 2026, 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 Jeanette Diaz and Daniel Diaz, members of the public; Jenna Craig of Touchstone District Services ("Touchstone"); Mary Ann Mihills of Municipal Accounts & Consulting, L.P. ("MAC"); Carlous Smith of Si Environmental, LLC ("Si"); Melanie Garrett of Assessments of the Southwest, Inc. ("ASW"); Jolie Craft of Vogler & Spencer Engineering, Inc. ("Vogler"); and Audrey Briscoe, and Kia Fields of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Director Cupples offered any members of the public attending the meeting the opportunity to make a public comment.

Ms. Diaz addressed the Board to request an adjustment to a significantly increased water bill resulting from a leak at the commercial property she leases. She explained that the leak occurred outside the building, across the street, and was first reflected in a bill received on November 28, when charges rose from approximately \$50 to \$1,000. Ms. Diaz stated she promptly contacted the operator the same day and repeatedly followed up, reporting it as an emergency, but was initially advised to wait while the source of the leak was determined.

After inspection, the District informed her that the leak was on her side of the street, at which point she arranged for repairs and submitted supporting documentation. She stated that she continued monthly follow-ups regarding a billing adjustment and was told to wait until subsequent meter readings confirmed reduced usage. Ms. Diaz

emphasized that the excessive charges were not due to internal usage and that earlier inspection could have relieved the impact.

The operator provided a timeline indicating high usage was identified in early November, the leak location was confirmed shortly thereafter, repairs were completed in December, and usage returned to normal by January and February, at which point an adjustment was processed.

Ms. Briscoe clarified that Regional Water Authority charges are pass-through costs and generally not adjustable; however, the District may adjust its portion based on average historical usage.

The Board indicated the bill would not be subject to termination, and the operator will provide Ms. Diaz with a revised adjusted amount.

Following review and discussion, Director Cupples moved to the next agenda item.

MINUTES

The Board considered approving the minutes of February 16, 2026, regular meeting. After review and discussion, Director Haynie moved to approve the minutes, as amended. Director Alderfer seconded the motion, which passed unanimously.

2026 DIRECTOR ELECTIONS

Ms. Briscoe discussed procedures related to the 2026 Directors Election. She presented a Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors executed by the Secretary’s agent stating that the District received two candidate applications for the two director positions for the May 2, 2026, Directors Election.

Ms. Briscoe also presented an Order Cancelling Election and Declaring Unopposed Candidates Elected to Office (the “Order Cancelling”) stating that the May 2, 2026, Directors Election is cancelled and that the unopposed candidates Kay Haynie and Deborah Cupples, are declared elected to office to serve from the May 2, 2026, election until the May 4, 2030, Directors Election. She reviewed the posting requirements for the Order Cancelling and stated that the Board should cancel the contracts with Fort Bend County for election services.

Following review and discussion, Director Cupples moved to: (1) adopt the Order Cancelling Election and Declaring Unopposed Candidates Elected to Office and authorize the Secretary’s agent to post the Order Cancelling, as required; (2) accept the Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors; (3) authorize cancellation of the contract with Fort Bend County for election

services; and (4) direct that the Order Cancelling and the Certificate be filed appropriately and retained in the District's official records. Director Alderfer seconded the motion, which passed unanimously.

UPDATE ON WEBSITE MATTERS AND AUTHORIZE APPROPRIATE ACTION

Ms. Craig distributed and reviewed the website report, a copy of which is attached. Discussion ensued regarding the number of visitors to the site, website content requirements, and additional communication content to be added to the website.

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 ending March 31, 2026. Following review and discussion, Director Cupples moved to authorize McGrath to prepare the audit for the fiscal year ending March 31, 2026. Director Haynie 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 a list of checks presented for approval, a copy of which is attached.

BUDGET FOR FISCAL YEAR END MARCH 31, 2027

Ms. Mihills presented and reviewed the proposed budget for the fiscal year ending March 31, 2027. Ms. Mihills recommended looking at six-months comparison based on Rate Order increases. Discussion ensued about considering removing the water kits. Ms. Craft recommended that the Chloramine Conversion project be considered in the budget. Discussion ensued. After review and discussion, Director Cupples moved to (1) approve the bookkeeper's report, the summary of investments, and payment of the bills; and (2) adopt the budget as presented. Director Alderfer seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Garrett distributed and reviewed the tax assessor/collector's report, including the delinquent tax roll, a copy of which is attached. He stated that 88.12% of the 2025 taxes had been collected as of February 28, 2026. Following review and discussion, Director Cupples moved to approve the tax assessor/collector's report and payment of the tax bills. 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. He reviewed general maintenance and repairs that have occurred since the last meeting, along with the Integrated Water System report included in the operator's report. Mr. Smith reported that water accountability for the previous month was 95.40%.

Mr. Smith reviewed the District's Rate Order to include an increase to the sewer rate to cover increased costs for operating expenses. Ms. Briscoe presented a proposed Amended Rate Order incorporating such changes.

Ms. Briscoe reported that the District is required to review the District's Drought Contingency Plan annually. Mr. Smith confirmed that no changes need to be made 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. A copy of the critical load spreadsheet is attached. Ms. Briscoe noted that the critical load information on 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.

Mr. Smith recommended repairs and installation for the booster pump and motor no. 2 at Water Plant No. 1, with an estimated total cost of \$22,559 for repairs, installation, and labor.

Mr. Smith stated that all retail public water suppliers are required to submit to the Texas Water Development Board a water loss audit once every five years. He said the next scheduled audit is for the year 2026 and is due by May 1, 2026.

After review and discussion, Director Roecker moved to: (1) approve the operator's report; (2) adopt the Amended Rate Order and direct that the Amended Rate Order be filed appropriately and retained in the District's official records; (3) 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; (4) authorize the repair and reinstallation of booster pump no. 2 and its motor at water plant no. 1 for \$22,559; (5) moved to approve the Water Loss Audit, direct that the audit be filed appropriately and retained in the District's official records, and authorize the District's Operator to submit the audit to the Texas Water Development Board. Director Haynie 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. Mr. Smith also requested Board approval to send closed accounts to collections. Following review and discussion, Director Roecker 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 and send closed customer accounts to collections. Director Haynie 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 provided an update to the Board regarding the electrical upgrades to Water Plant Nos. 1 and 2. She reported that a punchlist from the March 5, 2026, walk-through was provided to the contractor. She recommended the approval of Pay Estimate No. 12 in the amount of \$58,000.00 for Water Plant No. 1.

Ms. Craft provided an update to the Board on the Chloramine Conversion project at Water Plant Nos. 1 and 2. She noted that while the contractor has not yet begun work, the project is scheduled for completion by December 31, 2026.

The Board conducted its annual review of the Emergency Preparedness Plan (EPP). Ms. Craft reported that the updated EPP pages were submitted to the Texas Commission on Environmental Quality (TCEQ) this month. No further updates are required at this time, but revisions will be necessary following the transition to the chloramine disinfection system.

Following review and discussion, Director Alderfer moved to (1) approve the engineer's report; and (2) approve Pay Estimate No. 12 in the amount of \$58,000.00. Director McDonald seconded the motion, which passed unanimously.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

The Board noted its next regular meeting date will be April 20, 2026, 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.



Carol M. Ornel

Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	<u>Page</u>
Website Report	3
Audit continuation letter	3
Bookkeeper's Report.....	3
Tax Assessor/Collector's Report.....	3
Operator's Report.....	4
Engineer's Report.....	5