

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 122
Minutes of Meeting of Special Board of Directors
November 30, 2021

The Board of Directors ("Board") of Harris County Municipal Utility District No. 122 ("District") met in special session at the Board's regular meeting place on November 30, 2021, in accordance with the duly posted notice of public meeting, and the roll was called of the duly constituted officers and members of said Board of Directors, as follows:

Joycelyn Reese, President
Ronald F. Bennett, Vice-President
James H. Ragan, Jr., Secretary
John Hoxie, Assistant Secretary
John R. Marshall, Assistant Secretary

all of said persons were present, thus constituting a quorum.

Also present were: Joyce Bennett, a member of the public; and Abraham Rubinsky and Kristi Tran-Chin of Schwartz, Page & Harding, L.L.P. ("SPH").

Also attending the meeting via telephone conference call were: Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); Sabrina Alaquinez of Inframark, LLC ("Inframark"); Natalie Galgano of Municipal Accounts & Consulting, L.P. ("MA&C"); and Robert Dazey and Madison Barrington of Jones & Carter, Inc. ("J&C").

The President called the meeting to order and declared it open for such business as might regularly come before it.

PUBLIC COMMENTS

The Board began by opening the meeting for public comments. Mr. Rubinsky informed the consultants that the Board would like to invite all consultants to return to in-person Board meetings beginning with the special Board meeting to be held on December 17, 2021. It was noted that masks are encouraged for the safety of all persons who will attend.

APPROVAL OF MINUTES

The Board considered the review and approval of the minutes of its meeting held on October 27, 2021. After review and discussion, Director Marshall moved that the minutes of the Board's meeting held on October 27, 2021, be approved, as written. Director Ragan seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Ms. Galgano presented to and reviewed with the Board the Bookkeeper's Report dated November 30, 2021, a copy of which attached hereto as **Exhibit A**, including the disbursements presented for payment therein. After discussion, it was moved by Director Ragan that the Bookkeeper's Report be approved and the disbursements listed therein be approved for payment. Director Marshall seconded said motion, which unanimously carried.

STATUS OF COMPLIANCE BY THE DISTRICT WITH TEXAS GOVERNMENT CODE, CHAPTER 2265, RELATIVE TO ENERGY REPORTING

The Board considered the District's compliance with Texas Government Code, Chapter 2265, relative to energy reporting requirements. In connection therewith, Mr. Rubinsky advised the Board that governmental entities, including the District, are required to prepare an annual report on the entities' metered usage of electricity and the aggregate costs for same. Ms. Galgano then noted that Acclaim Energy has provided an annual report, a copy of which is attached to the Bookkeeper's Report, summarizing the District's electricity usage and costs. Mr. Rubinsky advised that no further action was necessary to achieve compliance, as the District's annual electricity usage was less than \$200,000.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Rodriguez presented to and reviewed with the Board the Tax Assessor/Collector's Report for the period ended October 31, 2021, which is attached hereto as **Exhibit B**, including the disbursements presented for payment from the Tax Account. Ms. Rodriguez inquired whether the Board would be interested in obtaining an aerial photograph of the District as of January 1, 2022, which may be used for appraisal and valuation purposes. After discussion, Director Bennett moved that the Tax Assessor/Collector's Report be approved and that the disbursements identified in said report be approved for payment from the Tax Account. Director Hoxie seconded said motion, which unanimously carried. The Board concurred to decline the aerial photo of the District until after completion on the new developments within the District.

REPORT AND LEGAL ACTION TAKEN BY THE DISTRICT'S DELINQUENT TAX COLLECTIONS ATTORNEY

Mr. Rubinsky presented to and reviewed with the Board a Delinquent Tax Report received from Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("PBFCM"), the District's Delinquent Tax Collections Attorneys, dated November 24, 2021, a copy of which is attached hereto as **Exhibit C**. Mr. Rubinsky advised that water service to 16118 Morgan Run was not actually terminated or reflected on said Report as PBFCM subsequently reported that the tax payer entered into a 12-month installment agreement for the payment of the delinquent taxes on said account. The Board concurred that no further action was required on its part relative to said matter at this time.

OPERATIONS AND MAINTENANCE REPORT

Ms. Alaquinez presented to and reviewed with the Board the Operations and Maintenance Report for the month of October 2021, a copy of which is attached hereto as **Exhibit D**, and discussed with the Board the various matters contained therein.

Ms. Alaquinez presented and reviewed with the Board a proposal from TechRadium, Inc. ("TechRadium") related to the annual removal of IRIS notification system, a copy of which is included with **Exhibit D**. After discussion, it was moved by Director Ragan to approve TechRadium's proposal to extend the District's IRIS Unlimited Use Plan for another year at a cost of \$477.25. Director Marshall seconded said motion, which unanimously carried.

Mr. Rubinsky updated the Board regarding communications with the customer at 16511 Mahogany Drive regarding the Notice of Violation of the District's Rate Order issued by correspondence from SPH dated October 26, 2021. He noted that there has been no response from said customer as of this time.

Ms. Alaquinez next reviewed with the Board the delinquent accounts for the prior month. After discussion, Director Ragan requested that Inframark lock and pull the water meter on account no. 122-00036-03 if said account remains unpaid. Ms. Alaquinez noted Inframark would do so.

DISCUSSION REGARDING CITY OF MISSOURI MATTERS

The Board noted that no representatives of the City of Missouri City was in attendance at today's Board meeting, and that the City has not been responsive to the issue on 16511 Mahogany Drive. It was then noted that Director Ragan has been in communications with City of Missouri City regarding said customer. After discussion on the matter, it was moved by Director Hoxie to (i) authorize J&C to obtain a surveyor and mark the District's 8' utility easement at said property (ii) Inframark to obtain a cost estimate for removal and hauling of the concrete laid over the District's 8' utility easement at 16511 Mahogany Drive, (iii) SPH to prepare correspondence to said customer notifying the customer of the estimated cost for removal and hauling of said concrete, and of the District's intent to perform said work and to backcharge the customer for said costs; (iv) Inframark to post said correspondence on the customer's door, schedule such work, and arrange for law enforcement to be on-site for the removal of the cement. Director Marshall seconded said motion, which unanimously carried.

ENGINEERING REPORT

Mr. Dazey presented to and reviewed with the Board a written Engineering Report dated November 24, 2021, a copy of which is attached hereto as **Exhibit E**, relative to the status of various engineering and construction projects within the District, and responded to several questions from the Board regarding ongoing projects.

Mr. Dazey updated the Board regarding the proposed Wastewater Treatment Plant ("WWTP") Improvements. He then requested authorization for J&C to advertise for bids for the

construction of the WWTP Improvements. After discussion, Director Ragan moved that J&C be authorized to advertise for bids for the construction of the WWTP Improvements. Director Hoxie seconded said motion, which unanimously carried.

Director Ragan inquired regarding the proposed screening between the buildings on the CitiPark development and the neighborhood within the District, which was previously discussed. Mr. Dazey noted that the developer has previously committed verbally to the screening, and that said screening should be installed during the second phase of construction.

DEVELOPER'S REPORT

The Board deferred consideration of the developer's report, as no representative of any developer within the District was present at the meeting.

REQUESTS FOR UTILITY COMMITMENTS

The Board deferred consideration of the issuance of utility commitments after noting that no formal requests for same had been received during the previous month.

EMINENT DOMAIN REPORT

Mr. Rubinsky reminded the Board that, pursuant to Section 2206.154 of the Texas Government Code, political subdivisions with the power of eminent domain, including the District, are required to file an annual eminent domain report by February 1 of each year with the Texas Comptroller of Public Accounts (the "Comptroller"). Mr. Rubinsky explained that the report will contain the District's contact information as well as information related to the District's ability to exercise the power of eminent domain. After discussion, it was moved by Director Ragan, seconded by Director Marshall, and unanimously carried that SPH be authorized to file the annual eminent domain report with the Comptroller on behalf of the District by February 1, 2022.

MATTERS RELATED TO MAY 7, 2022 DIRECTORS ELECTION

Mr. Rubinsky reported on issues related to the District's Directors Election (the "Election") to be held on May 7, 2022. In connection therewith, Mr. Rubinsky advised that Harris County will administer the Election if the District participates in the County's joint election. He further noted that if the District elects not to contract with the County and to hold an independent Election, Section 49.111, Texas Water Code, provides an exemption from the requirement to provide certain electronic voting systems at the Election if the District's previous directors election was canceled as uncontested or if fewer than 250 voters voted in the District's previous directors election. Mr. Rubinsky noted that the District is exempt from said requirement because the District's previous directors election was canceled. Following discussion, it was moved by Director Ragan, seconded by Director Reese and unanimously carried that SPH be authorized to (i) notify the County of the District's intent to participate in the joint Election, (ii) provide notice of the District's intent not to provide electronic voting systems for said Election by publication in a newspaper of general circulation in an area that includes the

District, in case the District subsequently elects to hold an independent Election, and (iii) post the required Notice Regarding Candidate Filing Period.

ATTORNEY'S REPORT

The Board considered the attorney's report. In connection therewith, Mr. Rubinsky reported the receipt of correspondence from the Harris County Appraisal District ("HCAD"), which contained instructions on how to cast a ballot in the 2021-2022 Board of Directors Election, a Certification of Ballot, and Resolution relative to same, a copy of which is attached hereto as **Exhibit F**. Mr. Rubinsky noted that should the Board desire to cast its vote for one of the nominees reflected on the ballot, it must adopt the Resolution and submit Certification of same to HCAD no later than December 15, 2021. After discussion, upon motion by Director Bennet, seconded by Director Reese and unanimously carried, the Board concurred to cast a ballot in support of Charles Brandman for said election and that SPH be authorized to submit the Resolution and Certification to HCAD prior to the deadline of December 15, 2021.

CLOSED SESSION

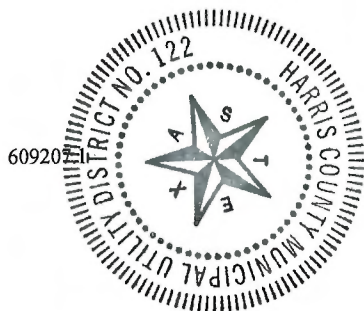
The Board determined it would not be necessary to enter into Closed Session at this time.

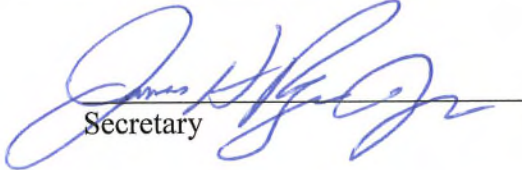
FUTURE AGENDA ITEMS

The Board considered items for placement on a future agenda. No specific agenda items, other than routine and ongoing matters were requested.

ADJOURNMENT

There being no further business to come before the Board, upon motion made by Director Reese, seconded by Director Bennett and unanimously carried, the meeting was adjourned.




Secretary

List of Attachments to Minutes

- Exhibit A – Bookkeeper's Report
- Exhibit B – Tax Assessor-Collector's Report
- Exhibit C – Delinquent Tax Report
- Exhibit D – Operations and Maintenance Report
- Exhibit E – Engineering Report
- Exhibit F – Correspondence from the Harris County Appraisal District