

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 122
Minutes of Meeting of Board of Directors
October 27, 2021

The Board of Directors ("Board") of Harris County Municipal Utility District No. 122 ("District") met in regular session at the Board's regular meeting place on October 27, 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: Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); 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: Sabrina Alaquez of Inframark, LLC ("Inframark"); Darrell Hawthorne 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. There being no comments from the public, the Board continued to the next item of business.

APPROVAL OF MINUTES

The Board considered the review and approval of the minutes of its meeting held on September 22, 2021. After review and discussion, Director Marshall moved that the minutes of the Board's meeting held on September 22, 2021, be approved, as written. Director Hoxie seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Mr. Hawthorne presented to and reviewed with the Board the Bookkeeper's Report dated October 27, 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.

Mr. Hawthorne then presented to and reviewed with the Board a Quarterly Investment Inventory Report prepared by MA&C for the reporting period ended August 31, 2021, a copy of which is attached to the Bookkeeper's Report. After review of the Quarterly Investment Inventory Report and upon motion duly made by Director Ragan, seconded by Director Marshall and unanimously carried, said Quarterly Investment Inventory Report was approved and the District's Investment Officer was authorized to execute same on behalf of the Board and the District.

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

The Board deferred consideration of the energy reporting requirements until its next meeting.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Rodriguez presented to and reviewed with the Board the Tax Assessor/Collector's Report for the period ended September 30, 2021, which is attached hereto as **Exhibit B**, including the disbursements presented for payment from the Tax Account. After discussion, Director Hoxie 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 Marshall seconded said motion, which unanimously carried.

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 October 27, 2021, a copy of which is attached hereto as **Exhibit C**.

A discussion ensued regarding the termination of water service for non-payment of delinquent taxes owed to the District by two (2) customers listed in the report. Following discussion on the matter, Director Ragan moved to authorize PBFCM to coordinate with Inframark to proceed with the termination of water services for the non-payment of delinquent taxes to said customers. It was noted that, if disconnected, in order to re-connect water service, said customers must either (a) pay the delinquent taxes in full, or (b) (i) enter into an installment payment agreement with a maximum term of twelve months, (ii) include the first payment thereunder, and (iii) pay the 2021 taxes current. Director Bennett seconded said motion, which unanimously carried.

OPERATIONS AND MAINTENANCE REPORT

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

Mr. Rubinsky updated the Board regarding communications with the customer at 16511 Mahogany Drive. He noted that, per the Board's request, SPH directed correspondence to said customer regarding the Notice of Violation of the District's Rate Order related to the cement laid over their backyard, including the 8' utility easement at the rear of the lot. A copy of SPH's correspondence to the customer is attached hereto as **Exhibit E**.

IMPLEMENTATION OF SENATE BILL NO. 3 FROM 87TH LEGISLATIVE SESSION

A discussion ensued regarding the implementation of Senate Bill No. 3 from the 87th Texas Legislative Session. In connection therewith, Mr. Rubinsky presented and reviewed with the Board a Memorandum prepared by SPH dated October 27, 2021, regarding the implementation of the requirements of such Bill, a copy of which is attached hereto as **Exhibit F**. He recommended that the Board consider amending the District's Rate Order to include certain language regarding billing and termination procedures during extreme weather emergencies. After discussion on the matter, it was moved by Director Marshall, seconded by Director Ragan, and unanimously carried that: (i) the District's Rate Order be amended to include the recommended language regarding billing and termination procedures during extreme weather emergencies, as discussed above, (ii) any and all Rate Orders heretofore adopted be revoked, and (iii) the Rate Order, which is attached hereto as **Exhibit G**, be passed and adopted.

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 Mahogany Drive.

ENGINEERING REPORT

Mr. Dazey presented to and reviewed with the Board a written Engineering Report dated October 25, 2021, a copy of which is attached hereto as **Exhibit H**, 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, and noted that J&C will be ready to request authorization to advertise for bids for such project at next month's meeting.

Mr. Dazey next reminded the Board that the District's waste discharge permit for the WWTP expires on September 1, 2022, and that the Texas Commission on Environmental Quality ("TCEQ") must receive the permit renewal application by March 1, 2022. He noted that

the preparation of said renewal application is complete, and requested authorization to final and submit same to the TCEQ. After discussion, Director Hoxie moved that the J&C be authorized to final and submit the renewal application to the TCEQ, as requested by Mr. Dazey. Director Bennett seconded said motion, which unanimously carried.

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.

ATTORNEY'S REPORT

The Board considered the attorney's report. The Board discussed rescheduling the Board of Directors' November and December Board meetings, as the regularly scheduled November meeting falls on the day before Thanksgiving and the regularly scheduled December meeting falls during the week of Christmas. After discussion, the Board decided to reschedule its November meeting to November 30, 2021, at 11:00 a.m., and to hold its December Board meeting on December 17, 2021, at 11:00 a.m. It was also requested that the District's consultants, with the exception of SPH, continue to call in to the Board meetings.

CLOSED SESSION

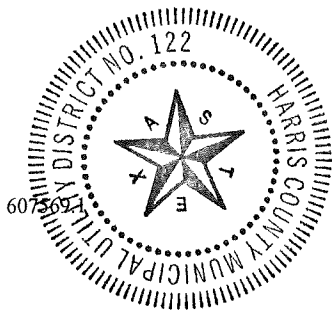
The Board determined it would not be necessary to enter into closed session at this time.

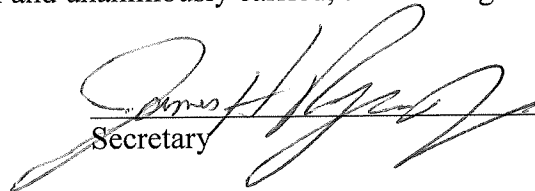
FUTURE AGENDA ITEMS

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 Marshall 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 – Correspondence to customer at 16511 Mahogany Drive
- Exhibit F – Memorandum regarding Senate Bill No. 3
- Exhibit G – Rate Order
- Exhibit H – Engineering Report