

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 122
Minutes of Meeting of Board of Directors
September 22, 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 September 22, 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, except Director Hoxie, thus constituting a quorum.

Also present were: John Howell of The GMS Group ("GMS"); 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"); Arturo Cornejo of Municipal Accounts & Consulting, L.P. ("MA&C"); Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); 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 August 25, 2021. After review and discussion, Director Marshall moved that the minutes of the Board's meeting held on August 25, 2021, be approved, as presented. Director Ragan seconded said motion, which unanimously carried.

PUBLIC HEARING REGARDING ADOPTION OF THE DISTRICT'S 2021 TAX RATE

The Board next conducted a public hearing regarding the levying of a proposed debt service tax rate and a maintenance tax rate for 2021. Ms. Rodriguez confirmed that the required notice had been published in *Fort Bend Independent*, in accordance with all legal requirements

and as directed by the Board at its last meeting, a copy of which Notice and Publisher's Affidavit is attached hereto as **Exhibit A**. Mr. Howell then presented and reviewed with the Board a 2021 Tax Rate Setting Points for Discussion, a copy of which is attached hereto as **Exhibit B**. It was noted that no comments were offered regarding the public hearing. Upon motion made by Director Ragan, seconded by Director Bennett and unanimously carried, the hearing was closed.

LEVY OF THE DISTRICT'S 2021 TAX RATE

The Board next discussed the levying of the 2021 tax rate. After discussion on the matter, Director Ragan moved that (i) the Board adopt the tax rate being a 2021 debt service tax rate of \$0.07 per \$100 of valuation and a 2021 maintenance tax rate of \$0.51 per \$100 of valuation, resulting in a total 2021 tax rate of \$0.58 per \$100 of valuation; (ii) the Order Levying Taxes attached hereto as **Exhibit C** be adopted in connection therewith; and (iii) the President be authorized to execute and the Secretary to attest said Order on behalf of the Board and the District. Director Bennett seconded said motion, which carried unanimously.

Mr. Howell exited the meeting at this time.

AMENDMENT TO DISTRICT INFORMATION FORM

Mr. Rubinsky presented and discussed with the Board an Amendment to the District's Amended and Restated District Information Form ("DIF") in connection with the levy of the District's 2021 tax rate. After discussion regarding the Amendment to the DIF, Director Bennett moved that the amended DIF be approved, that a majority of Board members be authorized to execute the amended DIF on behalf of the Board and the District, and that all Board members present join in the filing of the amended DIF, as evidenced by a majority of Board members executing same. Director Marshall seconded said motion, which carried unanimously.

BOOKKEEPER'S REPORT

Mr. Cornejo presented to and reviewed with the Board the Bookkeeper's Report dated September 22, 2021, a copy of which attached hereto as **Exhibit D**, including the disbursements presented for payment therein. After discussion, it was moved by Director Bennett that the Bookkeeper's Report be approved and the disbursements listed therein be approved for payment, except check no. 8526, which was voided. Director Ragan seconded said motion, which unanimously carried.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Rodriguez presented to and reviewed with the Board the Tax Assessor/Collector's Report for the period ended August 31, 2021, which is attached hereto as **Exhibit E**, including the disbursements presented for payment from the Tax Account. After discussion, Director Ragan 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 September 22, 2021, a copy of which is attached hereto as **Exhibit F**. After discussion regarding the Report, Director Ragan moved that the Board authorize BLI to coordinate with PBFCM and Inframark regarding the termination of water service to the five (5) customers with delinquent tax accounts reflected on said Report. Director Bennett seconded said motion, which unanimously carried.

OPERATIONS AND MAINTENANCE REPORT

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

A discussion ensued regarding the customer at 16511 Mahogany Drive. It was noted that said property owner has laid cement over their entire backyard, including over the District's 16' utility easement, which will make it difficult for the District to access said easement and facilities located therein, when necessary. Ms. Alaquez noted that said property owner has been made aware that if the District needs to access said easement, the cement will be removed at the owner's expense and all costs incurred will be back charged to such property owner. After a lengthy discussion regarding the matter, Director Reese moved that SPH be authorized to direct correspondence to the property owner at 16511 Mahogany Drive demanding that the cement that has been poured over the District's 16' utility easement be removed or else the District will remove it and back charge all costs related to same to the customer, and notifying the customer that failure to pay said costs will result in the termination of water service to the property. Director Bennett seconded said motion, which unanimously carried.

Mr. Rubinsky next presented and reviewed with the Board a Memorandum prepared by SPH concerning House Bill 872, which bill relates to the implementation of customer confidentiality requirements and the authorization of giving notice in connection with same, a copy of which is attached hereto as **Exhibit H**. He summarized the bill's confidentiality requirements and options for the District's compliance with same. Following discussion, the Board concurred that notice of a customer's right to request disclosure of his or her personal and billing information, along with a form to accomplish same, be included in all District water bills going forward.

DISCUSSION REGARDING CITY OF MISSOURI MATTERS

The Board deferred consideration of City of Missouri City matters, as no representative of the City was present at the meeting.

ENGINEERING REPORT

Mr. Dazey presented to and reviewed with the Board a written Engineering Report dated September 17, 2021, a copy of which is attached hereto as **Exhibit I**, relative to the status of various engineering and construction projects within the District, and responded to several questions from the Board regarding ongoing projects. He noted that J&C has received an inquiry regarding a possible development of the tract south of the intersection of Beltway 8 and South Gessner Road behind the Shell Gas Station, but that a formal request for service has not been received. No action was required by the Board at this time.

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. In that regard, a discussion ensued regarding the Resolution Adopting Temporary Policies and Procedures in response to COVID-19 Pandemic adopted by the Board at its meeting held March 31, 2020. Mr. Rubinsky advised the Board that the policies and procedures set forth in said Resolution automatically terminated and were rescinded at 12:01 a.m. on September 1, 2021, when the Governor's waiver of certain provisions of the Open Meetings Act expired.

The Board considered the approval and adoption of an Order Establishing Office and Meeting Places Outside the District (the "Order") at 1300 Post Oak Boulevard, Suites 2400 and 2500, Houston, Harris County, Texas 77056, which is attached hereto as **Exhibit J**. After consideration of the matter, it was moved by Director Ragan, seconded by Director Marshall, and unanimously carried that said Order be passed and adopted. The Board Secretary was then directed to execute, and the Attorney to publish, a Notice of Designation of Office and Meeting Places Outside the District, and to file a copy of the Order with the Texas Commission on Environmental Quality.

CLOSED SESSION

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

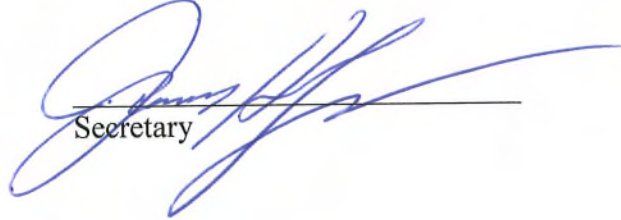
FUTURE AGENDA ITEMS

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 Bennett, seconded by Director Marshall and unanimously carried, the meeting was adjourned.




Secretary

List of Attachments to Minutes

- Exhibit A – 2021 Tax Rate Publication
- Exhibit B – Financial Advisor’s 2021 Tax Rate Setting Points for Discussion
- Exhibit C – Order Levying Taxes
- Exhibit D – Bookkeeper's Report
- Exhibit E – Tax Assessor-Collector's Report
- Exhibit F – Delinquent Tax Report
- Exhibit G – Operations and Maintenance Report
- Exhibit H – Memorandum regarding House Bill 872
- Exhibit I – Engineering Report
- Exhibit J – Order Establishing Office and Meeting Places Outside the District