

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 122
Minutes of Meeting of Board of Directors
June 22, 2022

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 June 22, 2022, 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"); Sabrina Alaquez of Inframark, LLC ("Inframark"); Rahi Patel of Municipal Accounts & Consulting, L.P. ("MA&C"); Robert Dazey and Madison Barrington of Quiddity Engineering LLC ("Quiddity"); Joyce Bennett, member of the public; and Katie Blasio and Kristi Tran-Chin of Schwartz, Page & Harding, L.L.P. ("SPH").

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 May 25, 2022. Ms. Blasio noted a minor revision under the Operation's Report. After discussion, Director Marshall moved that the minutes of the Board's meeting held on May 25, 2022, be approved, as revised. Director Ragan seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Mr. Patel presented to and reviewed with the Board the Bookkeeper's Report dated June 22, 2022, a copy of which attached hereto as **Exhibit A**, including the disbursements presented for payment therein. Ms. Rodriguez noted that check no. 9665 to the Harris County Appraisal District should instead be paid from the District's tax account. After discussion, it was moved by

Director Marshall that the Bookkeeper's Report be approved and the disbursements listed therein be approved for payment, except check no. 9665, which was voided. Director Hoxie 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 May 31, 2022, which is attached hereto as **Exhibit B**, including the disbursements presented for payment from the Tax Account. Ms. Rodriguez noted that BLI is working with the Harris County Appraisal District regarding the agricultural deferment for tax years 2019 through 2021. Ms. Rodriguez then noted the District's 2022 preliminary taxable value has increased by approximately 19% from the prior year. 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.

A discussion ensued regarding moving the District's tax account from Central Bank ("Central") to Allegiance Bank ("Allegiance") due to Central's monthly service charge and issues that BLI has been experiencing with Central this past season. Ms. Rodriguez advised the Board that, as of now, there are no fees implemented by Allegiance for its clients through BLI. After further discussion on the matter, Director Ragan moved that BLI be authorized to move the District's tax account from Central to Allegiance. Director Marshall seconded said motion, which unanimously carried.

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

Ms. Blasio 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 June 22, 2022, a copy of which is attached hereto as **Exhibit C**. No action was required by the Board at this time.

OPERATIONS AND MAINTENANCE REPORT

Ms. Alaquez presented to and reviewed with the Board the Operations and Maintenance Report for the month of May 2022, a copy of which is attached hereto as **Exhibit D**, and discussed with the Board the various matters contained therein.

Ms. Alaquez next reviewed with the Board the delinquent accounts for the prior month. After discussion, Director Ragan requested that Inframark (i) lock and pull the water meter on account nos. 122-00294-13 and 122-00333-10 and (ii) increase the deposit of said accounts if said accounts remain unpaid. Ms. Alaquez noted Inframark would do so.

DISCUSSION REGARDING CITY OF MISSOURI MATTERS

The Board noted that no representative of the City of Missouri City ("COMC") was in attendance at today's Board meeting.

ENGINEERING REPORT

Mr. Dazey presented to and reviewed with the Board a written Engineering Report dated June 22, 2022, a copy of which is attached hereto as **Exhibit E**, relative to the status of engineering and construction projects within the District, and responded to several questions from the Board regarding ongoing projects.

Mr. Dazey advised the Board that, as previously authorized by the Board, Quiddity has received bids for the Wastewater Treatment Plant ("WWTP") Access Road (the "Project"). He then advised the Board that Quiddity received three (3) bids for the Project, with the lowest bid being submitted by Division III Constructors, Inc. ("Division III"), in the amount of \$246,416. Mr. Dazey recommended that the Board award the Project to Division III. After discussion, Director Marshall moved that the Board award the Project to Division III, as recommended by the District's Engineer. Director Hoxie seconded said motion, which unanimously carried.

Mr. Dazey next presented Pay Estimate No. 1 for the WWTP Improvements (the "Improvements") project in the amount of \$60,277.50 from T&G Services ("T&G"), and recommended that the Board concur in the payment of said Pay Estimate. After discussion, Director Marshall moved that the Board approve Pay Estimate No. 1 in the amount of \$60,277.50, from T&G, as recommended by the District engineer. Director Hoxie seconded said motion, which unanimously carried.

Mr. Dazey advised the Board that a District resident inquired regarding the necessary steps required for adding a walking trail along the detention pond within the District. It was also noted that said resident inquired regarding the Board's interest in providing financial assistance to the Colony Crossing Homeowners Association for various projects within the community, but no specific requests were submitted to the Board.

Mr. Dazey advised the Board that Quiddity received the required deposit from Logistics Property Company ("LPC") to cover costs associated with performing a feasibility study regarding the District's available capacity to accommodate LPC's request.

Ms. Blasio advised that Section 13.1396 of the Texas Water Code, as amended, requires the District to update its information identifying the location and description of facilities that have qualified for critical load status and its information regarding emergency contacts (a) annually to each electric utility that provides transmission and distribution service to the District and each retail electric provider that sells power to the District and (b) immediately upon any change in the information to the above entities, as well as to the Office of Emergency Management of Harris and Fort Bend Counties, the Public Utility Commission of Texas, and the Division of Emergency Management of the Governor. After discussion on the matter, Director

Ragan moved that Quiddity and/or Inframark be authorized to make such annual submissions on behalf of the District. Director Marshall seconded the motion, which unanimously carried

DEVELOPER'S REPORT

The Board discussed LPC's update under the Engineering Report.

REQUESTS FOR UTILITY COMMITMENTS

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

VOTING SYSTEM ANNUAL FILING FORM

Ms. Blasio requested that the Board authorize SPH to complete and submit to the Secretary of State's Office on behalf of the District a Voting System Annual Filing Form ("Voting Form"). She advised that, pursuant to the Texas Election Code, each political subdivision in the State of Texas is required to complete and file said Voting Form with the Secretary of State's Office on an annual basis, even if the District did not conduct an election during that particular year. After discussion on the Voting Form, Director Ragan moved that SPH be authorized to complete the Voting Form and file same with the Secretary of State's Office, as required by law. Director Marshall seconded said motion, which unanimously carried.

DISPOSITION OF DISTRICT RECORDS

The Board next considered a request from the District's Records Management Officer to destroy SPH's handwritten notes and audio recordings of Board meetings from February 24, 2021, to February 24, 2022, a copy of which request is attached hereto as **Exhibit F**. After discussion on the matter, Director Marshall moved that the destruction of said notes and audio recordings be authorized as requested in accordance with the provisions of the District's Records Management Program. Director Hoxie seconded said motion, which unanimously carried.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. Ms. Blasio advised she had nothing further to discuss with the Board of a legal nature which was not covered elsewhere on the agenda.

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

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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 – Records Destruction Request

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