

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 122

Minutes of Meeting of Board of Directors

June 28, 2023

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 28, 2023, 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 Barnes 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 Marshall, thus constituting a quorum.

Also present were Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); Sabrina Alaquinez of Inframark, LLC ("Inframark"); Vanessa Herrera of Municipal Accounts & Consulting, L.P. ("MAC"); Robert Dazey, Madison Barrington and Jodie Robinson of Quiddity Engineering LLC ("Quiddity"); Joyce Bennett, a member of the public; and Abraham Rubinsky and Charlotte Griffiths 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 24, 2023. After discussion, Director Ragan moved that the minutes of the Board's meeting held on May 24, 2023, be approved, as written. 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, 2023, which is attached hereto as **Exhibit A**, including the disbursements presented for payment from the Tax Account. After discussion, Director Bennett moved that the Tax Assessor/Collector's Report be approved and the disbursements identified in said report be approved for payment from the Tax Account. Director Reese seconded said motion, which unanimously carried.

Next, Mr. Rubinsky advised that SPH received the Estimate of Appraised Value from the Harris Central Appraisal District as of May 1, 2023, which is attached hereto in Exhibit A. As of May 1, 2023, the estimated appraised value within the District is \$196,366,593, and the estimated taxable value is \$186,702,894.

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, LLP ("PBFCM") dated June 28, 2023, a copy of which is attached hereto as **Exhibit B**. After discussion, the Board concurred that no action was required by the Board at this time in connection with said matter.

BOOKKEEPER'S REPORT

Ms. Herrera presented to and reviewed with the Board the Bookkeeper's Report dated June 28, 2023, a copy of which attached hereto as **Exhibit C**. After discussion, it was moved by Director Ragan that the Bookkeeper's Report be approved and the disbursements listed therein be approved for payment, with the exception of check no. 9884 which was voided. Director Hoxie seconded said motion, which unanimously carried.

QUALIFIED BROKERS RESOLUTION

The Board considered adopting a list of qualified brokers authorized to engage in investment transactions with the District. Mr. Rubinsky noted that MAC is recommending that three (3) banks be added to the qualified brokers list adopted by the Board on January 25, 2023. He then presented and reviewed with the Board the attached Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District, and a list of financial institutions, brokers and dealers attached thereto, a copy of which is attached hereto as **Exhibit D**. Mr. Rubinsky further noted that the broker list presented is a list of potential institutions with which the District may engage in investment transactions compiled with the input of the District's Investment Officer, but it is ultimately the Board's decision as to where the District's funds are actually placed. Director Ragan advised that because of his current employment, he would abstain from voting. After due deliberation, upon a motion by Director Bennett, seconded by Director Hoxie and carried by a vote of three (3) in favor, none opposed, and with Director Ragan abstaining, the Board moved that the Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District be approved by the Board, and that the President and Secretary be authorized to execute same on behalf of the Board and the District.

OPERATIONS AND MAINTENANCE REPORT

Ms. Alaquez presented to and reviewed with the Board the Operations and Maintenance Report for the month of May 2023, a copy of which is attached hereto as

Exhibit E, and discussed with the Board the various matters contained therein. Ms. Alaquinez then presented to and reviewed with the Board the list of delinquent accounts for the prior month. There were no actions requested or taken in connection with such report.

ENGINEERING REPORT

Ms. Barrington presented to and reviewed with the Board a written Engineering Report dated June 28, 2023, a copy of which is attached hereto as **Exhibit F**, relative to the status of engineering and construction projects within the District. Ms. Barrington then advised the Board that the District is required to perform a lead service line inventory of its public and private water systems and submit said inventory to the Texas Commission on Environmental Quality ("TCEQ") by October 16, 2024. She then presented to and reviewed with the Board a scope memo for completion of said lead service line inventory, a copy of which is attached to the Engineer's Report. In connection therewith, Ms. Barrington requested that the Board authorize Quiddity to proceed in accordance with the scope memo. After discussion, Director Ragan moved to authorize Quiddity to proceed with the lead service line inventory in accordance with the scope memo for an estimated amount of \$9,500. Director Hoxie seconded the motion, which unanimously carried.

Following the Engineer's Report, Mr. Rubinsky 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 County, 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 Hoxie seconded the 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

Ms. Rubinsky noted that there had been no request for utility commitments and no action is required of the Board at this time.

DISCUSSION REGARDING SECURITY ENHANCEMENTS AND ADDITIONAL LAW ENFORCEMENT SERVICES

It was noted that there are no new updates regarding proposed security enhancements and additional law enforcement services within the District. After discussion, the Board concurred that this item be removed from the meeting agenda.

VOTING SYSTEM ANNUAL FILING FORM

Mr. Rubinsky 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"). He 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 Reese 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 Hoxie 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, 2022, to February 23, 2023, a copy of which request is attached hereto as **Exhibit G**. After discussion on the matter, Director Hoxie 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 Reese seconded said motion, which unanimously carried.

ATTORNEY'S REPORT

The Board considered the Attorney's Report. In connection therewith, Mr. Rubinsky presented to and reviewed with the Board SPH's Legislative Summary of the 88th Regular Session of the Texas Legislature, a copy of which is attached hereto as **Exhibit H**.

CLOSED SESSION

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

FUTURE AGENDA ITEMS

There were no additional matters requested for placement on the agenda for the Board's next meeting.

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

676909

List of Attachments to
Harris County Municipal Utility District No. 122
Minutes of Meeting of June 28, 2023

- Exhibit A Tax Assessor-Collector's Report and Estimate of Value
- Exhibit B Delinquent Tax Report
- Exhibit C Bookkeeper's Report
- Exhibit D Resolution Adopting List of Qualified Brokers
- Exhibit E Operator's Report
- Exhibit F Engineer's Report
- Exhibit G Records Destruction Request Letter
- Exhibit H Legislative Summary – 88th Regular Session of the Texas Legislature