

## **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 122**

Minutes of Meeting of Board of Directors

October 23, 2024

The Board of Directors ("Board") of Harris County Municipal Utility District No. 122 ("District") met in regular session at 1300 Post Oak Boulevard, Suite 2500, Houston, Harris County, Texas on October 23, 2024, 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, thus constituting a quorum.

Also present were Yaneth Cooper of Municipal Accounts & Consulting, L.P. ("MAC"); Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); Sabrina Alaquinez of Inframark, LLC ("Inframark"); Robert Dazey and Wesley Lay 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. In connection therewith, Ms. Bennett read a letter to the Board from the Colony Crossing Homeowners Association 2<sup>nd</sup> National Night Out Committee dated October 22, 2024, attached hereto as **Exhibit A**, thanking the District for its financial assistance in connection with the community's National Night Out event held on October 1, 2024.

### **APPROVAL OF MINUTES**

The Board considered the review and approval of the minutes of its meeting held on September 25, 2024. After discussion, Director Marshall moved that the minutes of the Board's meeting held September 25, 2024, be approved, as written. 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 September 30, 2024, which is attached hereto as **Exhibit B**, 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 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 Attorney, dated October 23, 2024, a copy of which is attached hereto as **Exhibit C**. In connection with same, the Board considered a hardship request from Senee' Jackson Moore, attached to **Exhibit C**, in connection with delinquent 2023 taxes for the property located at 16207 Carson Circle. After discussion, Director Ragan moved that (i) the Delinquent Tax Collections Report be approved, (ii) that PBFCM be authorized to offer Ms. Moore a 6-month plan for payment of 2023 delinquent taxes on the property, and (iii) for Inframark to delay termination of water service for the collection of delinquent taxes owed on said property at this time. Director Reese seconded the motion, which unanimously carried.

**PUBLIC HEARING REGARDING ADOPTION OF THE DISTRICT'S 2024 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 2024. 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. It was noted that no comments were offered regarding the public hearing. Upon motion made by Director Marshall, seconded by Director Ragan and unanimously carried, the hearing was closed.

**LEVY OF THE DISTRICT'S 2024 TAX RATE**

The Board next discussed the levying of the 2024 tax rate. After discussion on the matter, Director Marshall moved that (i) the Board adopt a 2024 debt service tax rate of \$0.07 per \$100 of valuation and a 2024 maintenance tax rate of \$0.44 per \$100 of valuation, resulting in a total 2024 tax rate of \$0.51 per \$100 of valuation; (ii) the Order Levying Taxes attached hereto as **Exhibit D** 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 Ragan seconded said motion, which carried unanimously.

**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 2024 tax rate. After discussion regarding the Amendment to the DIF, Director Ragan moved that the amended DIF be approved, and that the Board members present be authorized to execute same on behalf of the Board and the District. Director Hoxie seconded said motion, which carried unanimously.

## **BOOKKEEPER'S REPORT**

Ms. Cooper presented to and reviewed with the Board the Bookkeeper's Report dated October 23, 2024, a copy of which attached hereto as **Exhibit E**. After discussion, Director Marshall moved that the Bookkeeper's Report be approved and that the disbursements listed therein be approved for payment. Director Reese seconded said motion, which unanimously carried.

Ms. Cooper presented to and reviewed with the Board a Quarterly Investment Inventory Report, prepared by MAC, for the reporting period ending August 31, 2024, a copy of which is attached to **Exhibit E**. After review of the Quarterly Investment Inventory Report and upon motion duly made by Director Marshall, seconded by Director Reese 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 RELATIVE TO ENERGY REPORTING**

Mr. Rubinsky noted that the status of compliance by the District with Texas Government Code, Chapter 2265, relative to energy reporting is satisfied by the Acclaim Energy report presented in connection with the October 23, 2024 Bookkeeper's report and attached here to as **Exhibit E**.

## **REVIEW OF ORDER ESTABLISHING POLICY FOR INVESTMENT OF DISTRICT FUNDS AND APPOINTING INVESTMENT OFFICER**

The Board next considered the annual review of its Order Establishing Policy for Investment of District Funds and Appointing Investment Officer (the "Investment Policy"), and the adoption of a resolution in connection therewith. Mr. Rubinsky advised that there were no recommended changes to the Investment Policy at this time. Mr. Rubinsky then presented for the Board's adoption a Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Resolution"). After discussion on the matter, Director Reese moved that the Investment Policy be affirmed, that the Resolution attached hereto as **Exhibit F** be adopted, and that the President and Secretary be authorized to execute same. Director Hoxie 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 September 2024, a copy of which is attached hereto as **Exhibit G**, and discussed with the Board the various matters contained therein. Ms. Alaquez next reviewed with the Board the delinquent accounts for the prior month and recommended one (1) account in the amount of \$109.62 be sent to collections. The Board then considered the status of repair or possible replacement of Blower No. 3 at the District's Wastewater Treatment Plant. Ms. Alaquez advised that the District's insurance policy did not cover failure from wear and tear of equipment and, that the replacement of said blower is now in progress, as authorized by the Board at last month's meeting. The Board also inquired as to why the water accountability for the month of September is 106%. Ms. Alaquez said she will look into this matter and report back at the next

month's meeting. Following discussion, Director Hoxie moved that (i) one account in the amount of \$109.62 be sent to collections. Director Marshall seconded said motion, which unanimously carried.

### **PROPOSAL FOR REPLACEMENT OF DISTRICT'S CURRENT WATER METERS WITH ELECTRONIC SMART METERS**

The Board next considered the possible replacement of the District's current water meters with electronic smart meters. Following a lengthy discussion, Director Ragan moved that the Board decline to install electronic smart meters throughout the District at this time. Director Reese seconded the motion, which unanimously carried.

### **REVIEW OF DROUGHT CONTINGENCY PLAN**

Mr. Rubinsky reminded the Board that the District must review its Drought Contingency Plan ("DCP") for required updates no less than every five (5) years as required by applicable rules of the TCEQ, and noted that SPH is currently revising the District's DCP to incorporate recent changes made to the drought contingency plan of Fort Bend Water Control and Improvement District No 2, the District's water supplier. The Board then concurred to defer review of the DCP until its next meeting.

### **ENGINEERING REPORT**

Mr. Lay presented to and reviewed with the Board a written Engineering Report dated October 22, 2024, a copy of which is attached hereto as **Exhibit H**, and discussed with the Board the various matters contained therein. Director Marshall reported several leaning power poles in the District. Mr. Lay advised the Board that Quiddity would investigate and report further on the matter at the next meeting. Following discussion, the Board concurred that no action was required of 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**

Mr. Rubinsky noted that there had been no requests for utility commitments and, therefore, no action was required of the Board at this time in connection with same.

### **ATTORNEY'S REPORT**

Mr. Rubinsky advised he had nothing further of a legal nature that was not covered under another agenda item.

### **CLOSED SESSION**

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

**FUTURE AGENDA ITEMS**

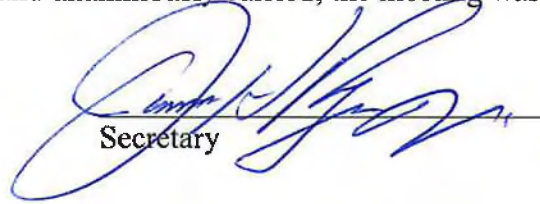
There were no additional matters requested for placement on the agenda for the Board's next meeting that had not already been discussed.

**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.



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Secretary

List of Attachments to  
Harris County Municipal Utility District No. 122  
Minutes of Meeting of October 23, 2024

- Exhibit A Thank You Letter from Colony Crossing Homeowners Association
- Exhibit B Tax Assessor-Collector's Report
- Exhibit C Delinquent Tax Collections Attorney's Report
- Exhibit D Order Levying Taxes
- Exhibit E Bookkeeper's Report
- Exhibit F Investment Policy Resolution
- Exhibit G Operations and Maintenance Report
- Exhibit H Engineer's Report