

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 122

Minutes of Meeting of Board of Directors

April 24, 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 April 24, 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 Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); Sabrina Alaqueinez of Inframark, LLC ("Inframark"); Yaneth Cooper of Municipal Accounts & Consulting, L.P. ("MAC"); Robert Dazey and Rebecca Watkins 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 March 27, 2024. After discussion, Director Bennett moved that the minutes of the Board's meeting held on March 27, 2024, be approved, as written. Director Marshall seconded said motion, which carried unanimously.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Rodriguez presented to and reviewed with the Board the Tax Assessor/Collector's Report for the period ended March 31, 2024, which is attached hereto as **Exhibit A**, 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 the disbursements identified in said report be approved for payment from the Tax Account. Director Marshall seconded said motion, which unanimously carried.

RESOLUTION AUTHORIZING AN ADDITIONAL PENALTY ON DELINQUENT REAL PROPERTY TAXES

The Board considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes. Mr. Rubinsky advised that the Board is authorized pursuant to Section 33.07 of the Texas Tax Code, as amended, to impose, under certain conditions on July 1, an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due the District on taxes that remain delinquent as of July 1 of the year in which they became delinquent. He noted that the additional penalty to be imposed by this Resolution will not apply to delinquent personal property taxes which have incurred an additional penalty pursuant to that certain Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes, which was passed and approved by the District on January 24, 2024. After further discussion, it was moved by Director Ragan, seconded by Director Bennett, and unanimously carried that the Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes, which is attached hereto as **Exhibit B**, be adopted by the District, and that Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("PBFCM"), the District's Delinquent Tax Collections Attorneys, be authorized to proceed with the collection of the District's 2024 delinquent real property tax accounts on July 1, 2024, subject to proper notice having been given as provided in said Resolution, including the filing of lawsuits, as necessary.

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 PBFCM dated April 24, 2024, a copy of which is attached hereto as **Exhibit C**. After discussion, the Board concurred that no action was required by the Board at this time in connection with said report.

BOOKKEEPER'S REPORT

Ms. Cooper presented to and reviewed with the Board the Bookkeeper's Report dated April 24, 2024, a copy of which attached hereto as **Exhibit D**. After discussion, Director Ragan moved that the Bookkeeper's Report be approved and that the disbursements listed therein be approved for payment. Director Bennett seconded said motion, which unanimously carried.

Ms. Cooper presented to and reviewed with the Board a Quarterly Investment Inventory Report, which Report had been prepared by MA&C for the reporting period ending February 29, 2024. A copy of the Report is attached to **Exhibit D**. [Director Ragan noted rates off regarding CD and treasuries. Ms. Cooper will contact the Investment team and report back to the Board regarding same.] After review of the Quarterly Investment Inventory Report and upon motion duly made by Director Ragan, seconded by Director Bennett 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.

OPERATIONS AND MAINTENANCE REPORT

Ms. Alaquinez presented to and reviewed with the Board the Operations and Maintenance Report for the month of March 2024, a copy of which is attached hereto as **Exhibit E**, and discussed with the Board the various matters contained therein. Ms. Alaquinez next reported that the Fire Hydrant Inspection and PM Report are in progress. A discussion ensued regarding the washed out concrete at Mahogany. Ms. Alaquinez next reviewed with the Board the delinquent accounts for the prior month. Following discussion, Director Reese moved that the Board approve the Operations and Maintenance Report. Director Ragan seconded said motion, which carried unanimously.

ANNUAL REPORT REGARDING IDENTITY THEFT PREVENTION PROGRAM

Ms. Alaquinez next presented for the Board's review an Annual Administrator's Report prepared by Inframark regarding the District's Identity Theft Prevention Program (the "Program"), a copy of which report is included with Exhibit E. The Report summarized the District's experience with identity theft during the prior year, current identity theft methods, the types of accounts maintained by the District and the District's business arrangements with other entities. Ms. Alaquinez advised that there were no incidents of identity theft to report and that Inframark recommends that no changes be made to the District's Program at this time. The Board concurred with such recommendation.

AUTHORIZE 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 the Texas Commission on Environmental Quality ("TCEQ"), and that such review is required to be performed by May 1, 2024. In connection therewith, Mr. Rubinsky presented and reviewed with the Board amendments to the Drought Contingency Plan. After discussion, the Board concurred to defer the Drought Contingency Plan pending SPH's review of same.

CRITICAL LOAD STATUS

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. Ms. Alaquinez advised that Inframark will prepare and submit the annual update and, if required, any changes to the information to the appropriate entities. After discussion on the matter, Director Ragan moved that Inframark be authorized to make such annual filings on behalf of the District. Director Marshall seconded the motion, which unanimously carried.

ENGINEERING REPORT

Ms. Watkins presented to and reviewed with the Board a written Engineering Report dated April 24, 2024, a copy of which is attached hereto as **Exhibit F**, relative to the status of engineering projects within the District. Ms. Watkins reported that the last detention pond inspection was performed last year. Director Ragan inquired Quiddity to inspect and mow the detention pond before the Hurricane Season. Ms. Watkins then noted that 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

Mr. Rubinsky noted that there had been no requests for utility commitments and, therefore, no action is 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 Marshall and unanimously carried, the meeting was adjourned.



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List of Attachments to
Harris County Municipal Utility District No. 122
Minutes of Meeting of March 27, 2024

- Exhibit A Tax Assessor-Collector's Report
- Exhibit B Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes
- Exhibit C Delinquent Tax Collections Attorney's Report
- Exhibit D Bookkeeper's Report
- Exhibit E Operator's Report
- Exhibit F Engineer's Report