

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 122

Minutes of Meeting of Board of Directors

March 27, 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 March 27, 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 Kristen Scott 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 February 28, 2024. After discussion, Director Marshall moved that the minutes of the Board's meeting held on February 28, 2024, be approved, as written. Director Bennett seconded said motion, which carried unanimously.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Scott presented to and reviewed with the Board the Tax Assessor/Collector's Report for the period ended February 29, 2024, which is attached hereto as **Exhibit A**, 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, LLP ("PBFCM") dated March 27, 2024, 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 report.

RESOLUTION CONCERNING DEVELOPED DISTRICT STATUS FOR 2024 TAX YEAR

Mr. Rubinsky advised that the procedures applicable to the adoption of the District's tax rate in 2024 will depend, in part, upon whether the District is determined to be a "Developed District" under Texas Water Code Section 49.23602. Mr. Rubinsky then reviewed with the Board a worksheet completed by Quiddity to assist the Board in making this determination, along with a Resolution Concerning Developed District Status for the 2024 Tax Year. Following discussion, the Board determined that the District should be considered a "Developed District" for the 2024 Tax Year and, upon motion made by Director Marshall, seconded by Director Hoxie, and unanimously carried, the Board voted to pass and adopt the Resolution Concerning Developed District Status for 2024 Tax Year, attached hereto as **Exhibit C**.

BOOKKEEPER'S REPORT

Ms. Cooper presented to and reviewed with the Board the Bookkeeper's Report dated March 27, 2024, a copy of which attached hereto as **Exhibit D**. 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.

UNCLAIMED PROPERTY REPORT

As the next order of business, the Board considered authorizing the District's consultants to research the District's accounts for unclaimed property and authorize MAC and BLI to prepare Unclaimed Property Reports as of March 1, 2024, as and if required by law. After discussion on the matter, Director Ragan moved that the District's consultants be authorized to research the District's accounts to determine the necessity of preparing Unclaimed Property Reports, and, if such reports are necessary, that the District's Bookkeeper and Tax Assessor/Collector be authorized to file said report(s) with the State Comptroller prior to July 1, 2024. 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 February 2024, a copy of which is attached hereto as **Exhibit E**, and discussed with the Board the various matters contained therein. Ms. Alaquez next presented and reviewed a Fire Hydrant Inspection and PM Report dated December 2023 and advised that Inframark recommends the repair of 17 fire hydrants as described in said report, at a total estimated cost of \$3,710. She also presented a proposal from Edustrial Solutions for the cleaning and painting of all 63 fire hydrants at a cost of \$4,725. Ms. Alaquez 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, including the recommended repairs to the District's fire hydrants at the estimated cost of \$3,710, but that the Board defer approval of the proposal for the painting of same for the time being. Director Ragan seconded said motion, which carried unanimously.

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. Alaquez 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.

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, Ms. Alaquez reported her findings and recommendations to the Board. After discussion, Mr. Rubinsky suggested a review of Harris County Water Control and Improvement District No. 2's DCP and consider incorporating language from same, if necessary, to strengthen the District's enforcement of restrictions during stages of drought. Ms. Alaquez said that she would provide a copy of Harris County Water Control and Improvement District No. 2's plan to Mr. Rubinsky for review. It was noted that no further action was required of the Board at this time.

ENGINEERING REPORT

Ms. Watkins presented to and reviewed with the Board a written Engineering Report dated March 27, 2024, a copy of which is attached hereto as **Exhibit F**, relative to the status of

engineering projects within the District. Ms. Watkins noted that no action was required by the Board at this time.

ANNUAL REVIEW OF SURVEY OF WAGE RATE SCALES AND ADOPTION OF RESOLUTION ADOPTING PREVAILING WAGE RATE SCALE FOR CONSTRUCTION PROJECTS

The Board considered the review of an annual survey of prevailing wage rates for construction projects and the adoption of a Resolution in connection therewith. In that regard, Mr. Rubinsky reported that SPH is recommending that the District adopt the updated wage rate scales published by the United States Department of Labor ("DOL"), in accordance with the Davis-Bacon Act (40 U.S.C. Section 276a *et seq.*). After discussion on the matter, Director Hoxie moved that the DOL wage rate scales effective January 2024 be adopted as the District's prevailing wage rate scale for construction projects, and that the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects, attached hereto as **Exhibit G**, be adopted by the Board. Director Reese seconded said 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

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

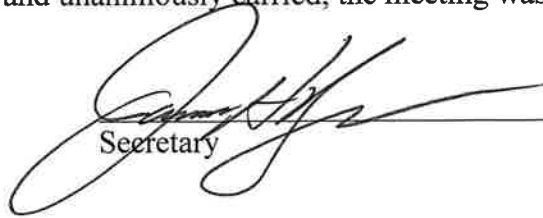
The Board determined it would not be necessary to enter into Closed Session at this time.

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 Bennett and unanimously carried, the meeting was adjourned.


Secretary

(SEAL)

720125



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 Delinquent Tax Collections Attorney's Report
- Exhibit C Resolution Concerning Developed District Status for 2024 Tax Year
- Exhibit D Bookkeeper's Report
- Exhibit E Operator's Report
- Exhibit F Engineer's Report
- Exhibit G Resolution Adopting Prevailing Wage Rate Scale for Construction Projects