

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 122

Minutes of Special Meeting of Board of Directors

November 20, 2024

The Board of Directors ("Board") of Harris County Municipal Utility District No. 122 ("District") met in special session at 1300 Post Oak Boulevard, Suite 2500, Houston, Harris County, Texas on November 20, 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, with the exception of Director Hoxie, 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"); Wesley Lay of Quiddity Engineering LLC ("Quiddity"); Joyce Bennett, a member of the public; and Abraham Rubinsky, Charlotte Griffiths and Laura Rodriguez 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 October 23, 2024. After discussion, Director Marshall moved that the minutes of the Board's meeting held October 23, 2024, be approved, as written. Director Bennett 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 October 31, 2024, which is attached hereto as **Exhibit A**, including the disbursements presented for payment from the Tax Account. After discussion, Director Marshall 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 Bennett 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 November 20, 2024, a copy of which is attached hereto as **Exhibit B**. Following discussion, the Board concurred that no action was required of the Board at this time.

BOOKKEEPER'S REPORT

Ms. Cooper presented to and reviewed with the Board the Bookkeeper's Report dated November 20, 2024, a copy of which attached hereto as **Exhibit C**. After discussion, Director Ragan moved that the Bookkeeper's Report be approved and that the disbursements listed therein be approved for payment, except for check no. 10183, which was voided. Director Bennett seconded said motion, which unanimously carried.

APPROVAL OF AMENDED OPERATING BUDGET FOR THE DISTRICT'S FISCAL YEAR ENDING AUGUST 31, 2025, IN CONNECTION WITH DISTRICT'S 2024 MAINTENANCE TAX LEVY

The Board next considered amending the operating budget for the District's fiscal year ending August 31, 2025, (i) to decrease the budgeted maintenance tax collections in connection with the District's 2024 maintenance tax levy, and (ii) to decrease the budgeted expense for the meter replacements. Ms. Cooper presented to and reviewed with the Board the proposed changes to the operating budget, a copy of which is attached to **Exhibit D**. Following discussion, Director Ragan moved that the Board approve the amended budget as proposed. Director Marshall seconded the motion, which unanimously carried.

AUDIT REPORT

The Board considered the status of the audit for fiscal year ending August 31, 2024. In connection therewith, Mr. Rubinsky advised that he anticipated the draft audit to be presented at the next meeting. Following discussion, the Board concurred to defer on the matter.

OPERATIONS AND MAINTENANCE REPORT

Ms. Alaquez presented to and reviewed with the Board the Operations and Maintenance Report for the month of October 2024, a copy of which is attached hereto as **Exhibit E**, 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 \$4.85 be written off as uncollectible. Following discussion, Director Marshall moved that (1) one account in the amount of \$4.85 be written off as uncollectible. Director Ragan seconded said 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 advised that SPH has reviewed the District's current DCP and recommends updating the DCP to incorporate recent changes made to the drought contingency plan of Fort Bend Water Control and Improvement District No. 2 ("WCID2"), the District's water supplier. Following discussion, Director Marshall moved (i) that SPH prepare the revisions to the District's DCP to incorporate recent changes made to the drought contingency plan of WCID 2; (ii) that the revised DCP be approved; and (iii) that the district adopt the Resolution Regarding Review of Drought Contingency Plan attached hereto as **Exhibit F**. Director Ragan seconded the motion, which unanimously carried.

ENGINEERING REPORT

Mr. Lay presented to and reviewed with the Board a written Engineering Report dated November 20, 2024, a copy of which is attached hereto as **Exhibit G**, and discussed with the Board the various matters contained therein. He advised that Harris County Flood Control District ("HCFCD") advised that Harris County may be responsible for maintenance of the drainage easement along the northwestern boundary of the District. Mr. Lay also advised that CenterPoint Energy agreed to replace the leaning polls in the District. Following discussion, the Board concurred that no action was required of the Board at this time in connection with the Engineering Report.

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.

AUTHORIZE ATTORNEY TO FILE EMINENT DOMAIN REPORT WITH THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS PRIOR TO FEBRUARY 1, 2025, PURSUANT TO § 2206.154, TEXAS GOVERNMENT CODE

Mr. Rubinsky informed the Board that, pursuant to Section 2206.154, Texas Government Code, all political subdivisions with the power of eminent domain, including the District, are required to file an annual eminent domain report by February 1 of each year with the Texas Comptroller of Public Accounts (the "Comptroller"). He explained that the report will contain the District's contact information as well as information related to the District's ability to exercise the power of eminent domain and whether it had done so within the reporting period. After discussion, it was moved by Director Reese, seconded by Director Marshall and unanimously carried, that the

Board authorize SPH to file the annual eminent domain report with the Comptroller on behalf of the District.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Mr. Rubinsky reviewed with the Board a memorandum prepared by SPH concerning the Environmental Protection Agency's final National Primary Drinking Water Regulation ("NPDWR") for per and polyfluoroalkyl substances ("PFAS"), a copy of which is attached hereto as **Exhibit H**. Mr. Rubinsky advised that the NPDWR establishes maximum contaminant levels ("MCLs") for six categories of the twenty-nine PFAS chemicals that may be found in public water systems, as well as an initial testing schedule for those categories that must be followed by certain districts. Mr. Rubinsky further advised that the applicability of the NPDWR to the District will depend, in part, on a review of the sources and disinfection treatments for the District's water supply. For example, districts which receive treated water from another water system through an interconnect for distribution without further treatment, except any treatment necessary to maintain water quality within the receiving district's distribution system, are not required to monitor that water under the NPDWR. Mr. Rubinsky noted that, for applicable districts, initial water supply monitoring is required to be completed by April 26, 2027. He stated that, depending on initial monitoring results, further monitoring will be established and a solution must be implemented to reduce PFAS levels for these six categories below the MCLs by April 26, 2029. Mr. Rubinsky advised that the District receives treated water from WCID2 and therefore may not be required to monitor such water under NPDWR. Following discussion, Director Marshall moved that Inframark and Quiddity be authorized to (i) determine whether the District is subject to the testing requirements of the NPDWR and, if so, (ii) develop an initial monitoring schedule which complies with the deadlines set forth in the attached memorandum. Director Bennett seconded the motion, which unanimously carried.

CLOSED SESSION

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

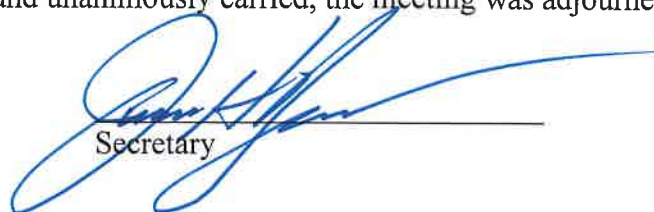
FUTURE AGENDA ITEMS

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

List of Attachments to
Harris County Municipal Utility District No. 122
Minutes of Meeting of November 20, 2024

- Exhibit A Tax Assessor-Collector's Report
- Exhibit B Delinquent Tax Collections Attorney's Report
- Exhibit C Bookkeeper's Report
- Exhibit D Amended Budget for Fiscal Year Ending August 31, 2025
- Exhibit E Operations and Maintenance Report
- Exhibit F Resolution Regarding Revire of Drought Contingency Plan
- Exhibit G Engineer's Report
- Exhibit H NPDWR Memorandum