

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 122

Minutes of Meeting of Board of Directors
February 26, 2025

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 February 26, 2025, 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 for Director Bennett, 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"); 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 January 29, 2025. After discussion, Director Marshall moved that the minutes of the Board's meeting held January 29, 2025, 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 January 31, 2025, 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 Hoxie 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 February 26, 2025, 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.

RESOLUTION CONCERNING DEVELOPED DISTRICT STATUS FOR 2025 TAX YEAR

Mr. Rubinsky advised that the procedures applicable to the adoption of the District's tax rate in 2025 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 2025 Tax Year. Following discussion, the Board determined that the District should be considered a "Developed District" for the 2025 Tax Year and, upon motion made by Director Reese, seconded by Director Marshall, and unanimously carried, the Board voted to pass and adopt the Resolution Concerning Developed District Status for 2025 Tax Year, attached hereto as **Exhibit C**.

BOOKKEEPER'S REPORT

Ms. Cooper presented to and reviewed with the Board the Bookkeeper's Report dated February 26, 2025, a copy of which attached hereto as **Exhibit D**. She noted that check no. 10246 to Director Ragan for fees of office is being voided and replaced with check no. 10258 in the revised amount of \$204.10, which will be reflected on next month's report. After discussion, Director Marshall moved that the Bookkeeper's Report be approved and that the disbursements listed therein be approved for payment, except for check nos. 10245 and 10246, which were voided. Director Hoxie seconded said motion, which unanimously carried.

STATUS OF CONTINUING DISCLOSURE REPORT

Mr. Rubinsky reminded the Board that the District's annual continuing disclosure report is due February 28, 2025 and that the Board had authorized Coats Rose, P.C., the District's continuing Disclosure Counsel, to prepare and file the report with the appropriate entities on behalf of the District by the February 28, 2025 deadline. Mr. Rubinsky noted that SPH would continue to monitor the status of said filing and that no action was required of the Board at this time in connection therewith.

OPERATIONS AND MAINTENANCE REPORT

Ms. Alaqueinez presented to and reviewed with the Board the Operations and Maintenance Report for the month of January 2025, 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. Director Ragan requested that Inframark lock and pull a certain water meter if the account remain unpaid. Ms. Alaquinez noted Inframark would do so. Ms. Alaquinez then requested authorization to forward one (1) account in the amount of \$178.36 to collections.

Ms. Alaquinez queried Mr. Lay regarding the need to continue using the auto sampler at the Waste Water Treatment Plant. Mr. Lay advised that it was no longer necessary, and Ms. Alaquinez said that Inframark would discontinue use of same.

Director Marshall next reported observing standing water at 12710 Water Oak, and Ms. Alaquinez advised that Inframark would look into the matter.

Following discussion, Director Hoxie moved that Inframark be authorized to forward said account to collections, as requested. Director Reese seconded said motion, which unanimously carried.

Ms. Alaquinez then informed that Board that she is ending her employment at Inframark and advised that a new Inframark consultant would be assigned to the District and attending meetings going forward.

AUTHORIZE INFRAMARK TO PROVIDE REQUIRED INFORMATION TO DISTRICTS RECEIVING WATER FROM THE DISTRICT RELATIVE TO CONSUMER CONFIDENCE REPORTS

The Board considered authorizing Inframark to provide required information to districts receiving water through an emergency interconnect relative to Consumer Confident Reports ("CCR") and to prepare a draft CCR for review by the Board. Mr. Rubinsky advised that, pursuant to CCR requirements promulgated by the United States Environmental Protection Agency and the Texas Commission on Environmental Quality ("TCEQ"), the District is required to provide (i) a report containing various information regarding the District's water supply to any other water supplier which has received water from the District during the prior calendar year by April 1, 2025, and (ii) a report containing various information regarding the District's water supply to all customers of the District by July 1, 2025. After discussion, it was duly moved by Director Ragan, seconded by Director Reese and unanimously carried, that (i) Inframark be authorized to provide the required information to districts receiving water relative to CCRs, and (ii) Inframark be authorized to prepare the CCR and SPH be authorized to review same for compliance with the TCEQ's regulatory requirements, as discussed above.

AMENDMENT TO THE DISTRICT'S RATE ORDER

The Board next considered an amendment to the District's Rate Order. Following discussion, the Board deferred consideration of an amendment to the District's Rate Order.

ENGINEERING REPORT

Mr. Lay presented to and reviewed with the Board a written Engineering Report dated February 25, 2025, a copy of which is attached hereto as **Exhibit F**, and discussed with the Board the various matters contained therein, including a cost estimate comparison for options in connection with the sanitary sewer cleaning and televising of (i) Section 1 in 2025 then section 2-4 in 2028 or (ii) the entire District (Sections 1-4) in 2025. A discussion next ensued regarding continued communications with CenterPoint regarding sagging power lines within the District and possible coordination of repairs with Comcast in connection with same. Mr. Lay then advised that photos of pavement failures along Cravens Road from Stafford Road to S. Gessner Road, provided by Director Marshall, were submitted to the City of Missouri City, and that Quiddity was awaiting the City of Missouri City's response to same. After discussion, Director Ragan moved that Quiddity be authorized to design and solicit bids for the sanitary sewer cleaning and televising of all sections (Sections 1-4), within the District in a total amount not to exceed \$150,000. Director Reese seconded the motion, which unanimously carried.

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 2025 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 Marshall seconded said motion, which unanimously carried.

RENEWAL OF INSURANCE COVERAGES

The Board next considered renewal of the District's insurance policies. In connection therewith, Mr. Rubinsky presented to and reviewed with the Board a copy of the insurance proposal from the District's current insurance broker, Arthur J. Gallagher & Co ("Gallagher"), a copy is attached hereto as **Exhibit H**. He further advised that, as directed by the Board at last month's meeting, SPH solicited a written proposal from McDonald & Wessendorff Insurance, but

such proposal has not yet come in. Following discussion, the Board deferred the matter until the March meeting.

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

The Board next considered the 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 Ragan, and unanimously carried, the meeting was adjourned.

(SEAL)



Secretary

List of Attachments to
Harris County Municipal Utility District No. 122
Minutes of Meeting of February 26, 2025

Exhibit A Tax Assessor-Collector's Report

Exhibit B Delinquent Tax Collections Attorney's Report

Exhibit C Resolution Concerning Developed District Status for 2025 Tax Year

Exhibit D Bookkeeper's Report

Exhibit E Operations and Maintenance Report

Exhibit F Engineer's Report

Exhibit G Resolution Adopting Prevailing Wage Rate Scale for Construction Projects

Exhibit H Gallagher Insurance Proposal