

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 122

January 18, 2023

The Board of Directors ("Board") of Fort Bend County Municipal Utility District No. 122 ("District") met in regular session, open to the public, on the 18th day of January 2023, at Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Diane Perkins	President
Barbara Nelson	Vice President
Melissa Colihan	Secretary
Julia Mercer	Assistant Secretary
Shariq Ghani	Assistant Vice President

and all the above were present, except Director Colihan, thus constituting a quorum.

Also present at the meeting were Sherri Greenwood of Forvis, LLP; Christy Wells and Dylan Wells of NJ Services, LLC ("NJ Services"); Justin Klump of Storm Water Solutions, LLC ("Storm Water"); Esther Flores of Tax Tech, Inc. ("Tax Tech"); Bill Ehler of LJA Engineering, Inc. ("LJA"); Erin Garcia of Myrtle Cruz Inc ("Myrtle Cruz"); Calvin Browne of Municipal District Services, LLC ("MDS"); and Katie Sherborne and Kia Fields of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board considered approving the regular meeting minutes of December 21, 2022, and the special meeting minutes of December 21, 2022. After review and discussion, Director Nelson moved to approve the regular meeting minutes December 21, 2022, and the special meeting minutes of December 21, 2022, as presented. Director Perkins seconded the motion, which passed by unanimous vote.

APPROVE AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2022

Ms. Greenwood presented the draft audit for fiscal year ending September 30, 2022. After review and discussion, Director Nelson moved to approve the audit for fiscal year ended September 30, 2022, subject to final review. Director Ghani seconded the motion, which passed by unanimous vote.

RECEIVE REPORTS FROM DIRECTORS

There was no discussion on this item.

WEBSITE COMMUNICATION MATTERS

The Board reviewed the Communications Report, a copy of which is attached, and discussed posting information to the District's website.

MAINTENANCE OF LAKES AND CHANNELS

The Board received a mowing report from NJ Services, a copy of which is attached, and discussed NJ Services' plan to submit a proposal to mow additional areas in the District to the homeowner association.

DISCUSS DISTRICT SUPPORT SERVICES AND TAKE APPROPRIATE ACTION

Ms. Sherborne updated the Board regarding an increase in issues with the Director's electronic devices and recommended the Board consider engaging Tech3 to address the issues. Following discussion, the Board concurred to have Ms. Sherborne gather more information to report back to the Board next month.

BOOKKEEPING MATTERS

Ms. Garcia reviewed the bookkeeper's report, including the investment report and the bills submitted for payment. A copy of the bookkeeper's report is attached. Discussion ensued regarding the District's budget, including maintenance revenue, and plans to hire a building manager for the park facilities.

Ms. Sherborne explained that the annual disclosure statements required by the Public Funds Investment Act disclose relationships between the District's Investment Officer and bookkeeper with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District. She also explained that the statements would be filed in the District's permanent records and with the Texas Ethics Commission.

After review and discussion, Director Perkins moved to (1) approve the bookkeeper's report, investment report, and payment of the bills; and (2) accept the disclosure statements from the District's bookkeeper and Investment Officer. Director Nelson seconded the motion, which passed by unanimous vote.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Ms. Sherborne reported on the District's post-issuance compliance activities during the prior calendar year related to bond financings. She stated that no action is required at this time.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Flores reviewed the District's monthly tax report, a copy of which is attached, including the delinquent tax roll. She stated that Tax Tech is continuing to collect the District's 2022 taxes. After review and discussion, Director Perkins moved to approve the tax assessor/collector's report and payment of the tax bills. Director Nelson seconded the motion, which passed by unanimous vote.

OPERATOR'S REPORT

Mr. Browne presented and reviewed the operator's report, a copy of which is attached, reviewed routine maintenance and repair items in the District, and addressed questions related to same.

Mr. Browne presented a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment.

Mr. Browne requested Board authorization to write off two delinquent accounts in the amount of \$278.68 and send them to a collection agency.

The Board discussed matters related to the elder care facilities within the District.

After review and discussion, Director Perkins moved to (1) approve the operator's report; (2) authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's records; and (3) authorize MDS to write off two delinquent accounts in the amount of \$278.68 and send them to a collection agency. Director Mercer seconded the motion, which passed by unanimous vote.

ENGINEERING MATTERS

Mr. Ehler distributed an engineer's report, a copy of which is attached.

Mr. Ehler updated the Board regarding construction of the WWTP and reviewed and recommended approval of Pay Estimate No. 3 in the amount of \$298,800.00, payable to R&B Group, Inc ("R&B Group"), and Change Order No. 2 to increase the contract in the amount of \$5,089.95, split between the District and Fort Bend County MUD 123. The Board determined that Change Order No. 2 is beneficial to the District.

Mr. Ehler updated the Board on the status of the water, sewer, and drainage and park bond application and requested that the Board authorize preparation of the Preliminary Official Statement for the Series 2023 Unlimited Tax Bonds and Park Bonds (the "Bonds").

Following review and discussion, Director Nelson moved, based on the engineer's recommendation, to (1) approve the engineer's report; (2) approve Pay Estimate No. 3 in the amount of \$298,800.00 and Change Order No. 2 in the amount of \$5,089.95 as an increase to the contract with R&B Group for construction of the WWTP, based upon the Board's finding that the Change Order is beneficial to the District and the engineer's recommendation; and (3) authorize preparation of the Preliminary Official Statement for the Bonds. Director Perkins seconded the motion, which passed by unanimous vote.

AUTHORIZE ACCEPTANCE AND CONVEYANCE OF EASEMENTS/DEEDS/
UTILITY DEEDS, APPROVAL OF ABANDONMENT OF EASEMENT OR FACILITIES,
AND REVIEW OF PLANS

There was no discussion on this item.

TCEQ PHASE II SMALL MS4 GENERAL PERMIT AND STORM WATER
MANAGEMENT PLAN, INCLUDING STATUS OF COMPLIANCE, NECESSARY
TRAINING, AND PUBLIC COMMENT

Mr. Klump updated the Board on the District's Stormwater Management Plan ("SWMP"). He distributed and reviewed the Year 4 Annual Report for the SWMP and a summary of the Year 5 training and goals under the SWMP, copies of which are attached. He presented a utility bill insert regarding stormwater runoff and prevention of stormwater pollution, a copy of which is also attached.

Mr. Klump began his training session with the Board and other consultants. The topic of the Year 4 training was stormwater pollution prevention, the minimum control measures, and bacteria-specific elements. Mr. Klump explained the importance of keeping household hazardous waste, pet waste, and yard waste out of the storm sewers, to prevent adding to bacterial impairment. He then continued with the training, thoroughly explaining the sources of bacteria and outlining the program elements of the SWMP that deal with these sources.

Following review and discussion, Director Perkins moved to approve (1) the Year 4 annual SWMP report; and (2) the related public education materials. Director Mercer seconded the motion, which passed by unanimous vote.

SECURITY MATTERS

Director Perkins reported on security matters in the District.

REVIEW CONSULTANT CONTRACTS

There was no action taken on this item.

TEXAS PUBLIC INFORMATION ACT REQUESTS

There was no discussion on this item.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

The Board did not convene in executive session.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.

Asst. Kevin D. Hester
Secretary, Board of Directors



LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Communications report.....	2
Mowing report.....	2
Bookkeeper's report.....	2
Tax Assessor Collector Report	3
Operator's report.....	3
Engineer's report.....	3
Year 4 Annual Report.....	4
Year 5 SWMP Training and Goals.....	4
Utility Bill Insert.....	4