

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 122

July 19, 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 19th day of July 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, thus constituting a quorum.

Also present at the meeting were Linda Castro of Off Cinco; Christy Wells and Kenny Wells of NJ Services, LLC ("NJ Services"); Kathy Cruthirds of Tax Tech, Inc. ("Tax Tech"); Mark Swanson of LJA Engineering, Inc. ("LJA"); Erin Garcia of Myrtle Cruz Inc ("Myrtle Cruz"); Lee Crenshaw 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 and special meeting minutes of June 21, 2023. After review and discussion, Director Perkins moved to approve the regular and special meeting minutes, as presented. Director Nelson seconded the motion, which passed by unanimous vote.

RECEIVE REPORTS FROM DIRECTORS

The Board discussed an issue with AT&T leaving a fence open near the District, noting the issued has been resolved.

WEBSITE COMMUNICATION MATTERS

Ms. Castro presented and reviewed a proposal for website services from Off Cinco, reviewed sample websites, and reviewed options for text alert services, including the cost of each of the options. Ms. Castro then addressed questions from the Board. Following review and discussion, the Board concurred to have Ms. Castro provide the proposal to

Fort Bend County MUD No. 123 for each District to consider at a future special Board meeting.

MAINTENANCE OF LAKES AND CHANNELS

Ms. Wells presented and reviewed a mowing report from NJ Services, a copy of which is attached. She updated the Board regarding trimming needed near the Lake 10 fence line, noting she plans to present a quote for same at the next Board meeting.

ASSOCIATION OF WATER BOARD DIRECTORS SUMMER CONFERENCE, REIMBURSEMENT OF ELIGIBLE EXPENSES AND ATTENDANCE AT WINTER CONFERENCE

The Board discussed the Association of Water Board Directors (“AWBD”) summer conference and upcoming winter conference. Ms. Garcia noted the submitted Directors’ expenses from the summer conference were in accordance with the District’s travel reimbursement guidelines. Ms. Sherborne stated that the AWBD winter conference will be held January 19, 2024 through January 20, 2024, in Dallas, Texas. After review and discussion, Director Perkins moved to approve reimbursement of eligible expenses for the summer conference, which were submitted in accordance with the District’s travel reimbursement guidelines, and authorize all interested Directors to attend the AWBD winter conference. Director Nelson seconded the motion, which passed by unanimous vote.

DIRECTOR PER DIEMS

Ms. Sherborne stated that House Bill No. 2815, which became effective on June 18, 2023, sets the maximum water district director fees of office at the per diem amount set by the Texas Ethics Commission for members of the legislature. She noted that, pursuant to House Bill No. 2815, the current maximum amount for director fees of office is \$221.00, and going forward, the maximum amount automatically will be indexed for inflation. After discussion, the Board concurred to approve payment of directors’ fees of office at the new maximum amount allowed by law, effective as of June 18, 2023.

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. After review and discussion, Director Colihan moved to approve the bookkeeper’s report, investment report, and payment of the bills. Director Nelson seconded the motion, which carried unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Cruthirds reviewed the District’s monthly tax report, a copy of which is attached, including the delinquent tax roll. She stated that 98.81% of the District’s 2022

taxes had been collected as of June 2023. After review and discussion, Director Colihan moved to approve the tax assessor/collector's report and payment of the tax bills. Director Perkins seconded the motion, which passed by unanimous vote.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2023 TAX YEAR

Ms. Sherborne discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. She reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developed District for the 2023 tax year.

Following review and discussion, Director Perkins moved to adopt a Resolution Regarding Development Status for 2023 Tax Year establishing the District as a Developed district for the 2023 tax year, pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Nelson seconded the motion, which passed unanimously.

EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Sherborne reported on legislation passed by the Texas Legislature to update the language for the Notice to Purchasers form that must be provided by persons proposing to sell or convey real property located in a water district. She said water districts that are required to maintain a website or have access to a website under Section 26.18, Tax Code, are also now required to post their Notice to Purchasers on the applicable website. The Board then considered authorizing execution of an Amendment to Information Form reflecting the District's new form of Notice to Purchasers attached thereto. Ms. Sherborne explained that the District is required to file the Amendment to Information Form in the Official Public Records of Real Property of Fort Bend County and with the Texas Commission on Environmental Quality ("TCEQ"). After review and discussion, Director Perkins moved to authorize execution of the Amendment to Information Form and to authorize filing with Fort Bend County and the TCEQ. Director Mercer seconded the motion, which passed unanimously.

OPERATOR'S REPORT

Mr. Crenshaw presented and reviewed the operator's report, a copy of which is attached, and reported on routine maintenance and repair items in the District.

Mr. Crenshaw updated the Board regarding manholes repaired and plans to repair the remaining manholes in the District.

Director Ghani left the meeting.

Mr. Crenshaw 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. Crenshaw requested Board authorization to write off one delinquent account in the amount of \$118.06 and send them to a collection agency.

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 one delinquent account in the amount of \$118.06 and send them to a collection agency. Director Colihan seconded the motion, which passed by a vote of 4 to 0, with Director Ghani being absent from the vote.

ENGINEERING MATTERS

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

Mr. Swanson stated that an additional bid was received for the Rehabilitation for Pond 7S. He recommended that the Board award the contract to NJ Services in the amount of \$203,200.00. The Board concurred that, in its judgment, NJ Services was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

Director Ghani rejoined the meeting.

Mr. Swanson updated the Board regarding construction of the Wastewater Treatment Plant ("WWTP") and reviewed and recommended approval of Pay Estimate No. 9 in the total amount of \$85,050.00, payable to R&B Group, Inc ("R&B Group"), split between the District and Fort Bend County MUD No. 123 ("MUD 123"). He stated the District's portion is \$40,824.00.

Mr. Swanson updated the Board regarding the Water Plant Expansion.

Mr. Swanson updated the Board regarding the Lakemont Stormwater Reuse Pump Station Rehabilitation.

Mr. Swanson updated the Board regarding a pump that is out in the irrigation system and plans to repair same.

Following review and discussion, Director Perkins moved, based on the engineer's recommendation, to: (1) approve the engineer's report; and (2) ratify award of the contract for the Rehabilitation for Pond 7S to NJ Services in the amount of \$203,200.00; and (3) approve Pay Estimate No. 9 in the amount of \$40,824.00, payable to R&B Group for construction of the WWTP. Director Mercer 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

Mr. Swanson reviewed a Drainage Easement to be granted to the Fort Bend County Drainage District related to work along Long Point Slough. Following review and discussion, Director Perkins moved to grant the Drainage Easement, as discussed. Director Mercer seconded the motion, which passed by unanimous vote.

PARK PROJECT AND RECREATIONAL FACILITY MATTERS

There was no further discussion on this matter.

TCEQ PHASE II SMALL MS4 GENERAL PERMIT AND STORM WATER
MANAGEMENT PLAN

There was no discussion on this item.

REPORT REGARDING LEGISLATIVE MATTERS

Ms. Sherborne presented and reviewed a Capitol Report and updated the Board on legislative matters from the 88th Regular Texas Legislative Session.

SECURITY MATTERS

The Board discussed security matters in the District.

REVIEW CONSULTANT CONTRACTS

There was no discussion 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.


Secretary, Board of Directors



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