

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 122

February 15, 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 15th day of February 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 Directors Colihan and Ghani, thus constituting a quorum.

Also present at the meeting were Christy Wells and Dylan Wells of NJ Services, LLC ("NJ Services"); Kathy Cruthirds of Tax Tech, Inc. ("Tax Tech"); Bill Ehler, Mark Swanson, and Kyle Kraus 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 January 18, 2023, and the special meeting minutes of January 18, 2023. After review and discussion, Director Nelson moved to approve the regular meeting minutes January 18, 2023, and the special meeting minutes of January 18, 2023, as presented. Director Perkins seconded the motion, which passed by unanimous vote.

RECEIVE REPORTS FROM DIRECTORS

There was no discussion on this item.

SERIES 2023 UNLIMITED TAX BONDS AND SERIES 2023 UNLIMITED TAX PARK BONDS

Mr. Howell discussed the procedures and proposed schedule for the issuance of the District's \$2,225,000 Unlimited Tax Bonds, Series 2023 and \$3,000,000 Unlimited Tax Park Bonds, Series 2023A ("Series 2023 Bonds").

Mr. Howell reviewed the Preliminary Official Statement and Official Notice of Sale for the Series 2023 Bonds with the Board.

Ms. Howell stated that Tax Tech provided the Certificate of Assessed Value.

Mr. Howell discussed engaging Standard & Poor's to perform a credit rating analysis for the Series 2023 Bonds.

The Board considered appointing a Paying Agent/Registrar for the Series 2023 Bonds.

The Board considered authorizing the District's financial advisor to advertise the sale of the District's Series 2023 Bonds. The Board agreed to schedule the bond sale for March 15, 2023.

Following discussion, Director Perkins moved to (1) approve the Preliminary Official Statement and Official Notice of Sale, subject to final review and approval from the District's consultants; (2) engage Standard and Poor's to perform a credit rating analysis for Series 2023 Bonds; (3) appoint Bank of New York Mellon as Paying Agent/Registrar; and (4) authorize advertisement for bids for the Series 2023 Bonds in the Fort Bend Herald and schedule the bond sale for March 15, 2023. Director Mercer seconded the motion, which passed by unanimous vote.

WEBSITE COMMUNICATION MATTERS

The Board reviewed the Communications Report, a copy of which is attached.

MAINTENANCE OF LAKES AND CHANNELS

Ms. Wells presented and reviewed a mowing report from NJ Services, a copy of which is attached. She then presented a proposal to cut down dead cat tails in Channel A in the amount of \$2,500. Ms. Wells next updated the Board regarding nutria issues in Lake 8, noting NJ Services will postpone addressing until construction in the area is complete. She then updated the Board regarding NJ Services' plans to monitor erosion near Detention 7. Discussion ensued regarding options to repair the erosion, and following discussion Mr. Ehler stated he would work with the District's operator and make a recommendation at the next Board meeting. Ms. Wells next reported track marks at the bottom of the pond in Channel C and recommended the District notify security of same.

Director Perkins moved to (1) approve the mowing report; and (2) approve the proposal to cut down dead cat tails in Channel A for an amount not to exceed \$2,500. Director Nelson seconded the motion, which carried unanimously.

DISCUSS DISTRICT SUPPORT SERVICES AND TAKE APPROPRIATE ACTION

The Board reviewed and discussed a quote from Tech3 for District support services. Following discussion, the Board concurred to decline such services at this time.

BOOKKEEPING MATTERS

Ms. Garcia reviewed the bookkeeper's report, including the investment report and the bills submitted for payment. She requested approval of check no. 1434, payable to Director Ghani in the amount of \$702.87 for director fees of office and expenses, which she noted is not included in the report. A copy of the bookkeeper's report is attached.

The Board discussed the recent Association of Water Board Directors ("AWBD") winter conference and considered authorizing attendance at the upcoming summer conference.

After review and discussion, Director Perkins moved to (1) approve the bookkeeper's report, investment report, and payment of the bills, including check no. 1434; and (2) approve the reimbursement of eligible expenses for directors who attended the winter conference, which the bookkeeper confirmed were submitted in accordance with the District's Travel Reimbursement Guidelines, and authorize attendance of any interested directors at the summer conference. Director Mercer 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 73.92% of the District's 2022 taxes had been collected as of January 2023. After review and discussion, Director Perkins moved to approve the tax assessor/collector's report and payment of the tax bills. Director Mercer seconded the motion, which passed by unanimous vote.

ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board considered adopting a Resolution Concerning Exemptions from Taxation ("Resolution.") After discussion, Director Nelson moved to adopt the Resolution exempting from ad valorem taxation by the District \$10,000 of the appraised value of residence homesteads of individuals who are disabled or 65 years of age or older and rejecting the general homestead exemption. Director Perkins 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 updated the Board regarding MDS' future plans to haul sludge in preparation for the WWTP Phase 2 construction for an estimated amount of \$20,000.

The Board next considered a Resolution Approving Submittal of the Water Smart Application for Inclusion in the Association of Water Board Directors Water Smart Partners Program ("Water Smart Resolution").

The Board discussed matters related to an elder care facility in 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; (3) authorize MDS to haul sludge in an amount not to exceed \$20,000, as needed; and (4) approve the Water Smart Resolution. 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. 4 in the amount of \$250,200.00, payable to R&B Group, Inc ("R&B Group"), split between the District and Fort Bend County MUD 123 ("MUD 123").

Mr. Ehler updated the Board on the Water Plant Expansion and presented and reviewed a proposal for engineering services in the total amount of \$84,000.00, split between the District and MUD 123.

Mr. Ehler updated the Board on the Lakemont Stormwater Reuse Pump Station Rehabilitation and presented and reviewed a proposal for engineering services in the total amount of \$55,000.00, split between the District and MUD 123.

Mr. Ehler updated the Board on the status of the water, sewer, and drainage and park bond application. Discussion ensued regarding the bond application.

Following review and discussion, Director Perkins moved, based on the engineer's recommendation, to (1) approve the engineer's report; (2) approve Pay Estimate No. 4 in the amount of \$250,200.00, payable to R&B Group for construction of the WWTP; (3) approve the proposal for engineering services for the Water Plant Expansion in the amount of \$84,000.00, split between the District and MUD 123; and (4) approve the proposal for engineering services for the Lakemont Stormwater Reuse Pump Station Rehabilitation in the amount of \$55,000.00, split between the District and MUD 123. 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

There was no discussion on this item.

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

There was no discussion on this item.

SECURITY MATTERS

There was no discussion on this item.

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.


Secretary, Board of Directors



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