

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 345

Minutes of Special Meeting of Board of Directors

July 1, 2024

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 345 (the "District") met in special session at the Board's designated meeting place at 1300 Post Oak Boulevard, Suite 2400, Houston, Harris County, Texas, on July 1, 2024, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted members of said Board of Directors, as follows:

Everett M. Dalton, President
Keith Wright, Vice President
Aaron Pichon, Secretary
David Vinzant, Assistant Secretary
Michael Fitzgerald, Assistant Secretary

and all of said persons were present, with the exception of Director Wright, thus constituting a quorum.

Also present were Allen Jenkins and Chad Buckley of Inframark, LLC ("Inframark"); Yaneth Cooper of Municipal Accounts & Consulting, L.P. ("MA&C"); Isabel Mata of Wheeler & Associates, Inc. ("Wheeler"); Jason Robinett and Bob Wempe of Pape-Dawson Consulting Engineers, LLC ("Pape-Dawson"); Angela Smith, resident of the District; and Kate Henderson, Alyssa Kanarr and Charlotte Griffiths of Schwartz, Page and Harding, L.L.P. ("SPH"). Dominic Cashiola of Classic Messaging LLC ("Classic") entered the meeting at a later time as noted herein.

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. The Board recognized Ms. Smith who addressed the Board regarding various District matters including information on the District's website, general communications with residents, including notification to residents for each Board meeting, the potential conversion to surface water, and her concerns regarding subsidence in connection with the proposed second water well and plans for assessment of same with regard to arsenic levels.

APPROVAL OF MINUTES

As the next order of business, the Board reviewed the minutes of its meeting held on May 20, 2024. After discussion of the minutes presented, Director Vinzant moved that the minutes of the May 20, 2024 Board meeting be approved, as written. Director Dalton seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Ms. Cooper presented to and reviewed with the Board a Bookkeeper's Report dated July 1, 2024, a copy of which is attached hereto as **Exhibit A**, including the disbursements presented for payment from the District's various accounts, a Fund Balance Report, Pledged Securities Report, Actual vs. Budget Comparisons for the District's various accounts, and a Cash Flow Forecast. Ms. Cooper additionally presented to and reviewed with the Board a Quarterly Investment Inventory Report, which had been prepared by MA&C, for the reporting period ended April 30, 2024, a copy of which is attached to the Bookkeeper's Report. Following discussion, Director Fitzgerald moved that the Board (i) approve the Bookkeeper's Report and authorize payment of the disbursements listed therein, with the exception of check no. 11716, which was voided, and (ii) approve the Quarterly Investment Inventory Report and authorize the District's Investment Officer to execute same on behalf of the Board and the District. Director Vinzant seconded the motion, which unanimously carried.

Mr. Cashiola entered the meeting at this time.

AMENDMENTS TO DISTRICT BUDGETS

Ms. Cooper next presented to and reviewed with the Board proposed amendments to the District's general operating budget, Joint Wastewater Treatment Plant budget, and Joint Water Plant budget for fiscal year ending January 31, 2025, copies of which are included in **Exhibit A**. Following discussion, Director Fitzgerald moved that the Board approve the amendments to said budgets as presented. Director Dalton seconded the motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Mata presented to and reviewed with the Board the Tax Assessor-Collector's Report dated as of May 31, 2024, a copy of which is attached hereto as **Exhibit B**. Following review and discussion of the report submitted, it was moved by Director Pichon, seconded by Director Dalton and unanimously carried, that the Tax Assessor-Collector Report dated as of May 31, 2024, be approved, and that the disbursements identified therein be authorized for payment from the District's Tax Account.

DELINQUENT TAX REPORT

Ms. Henderson next presented a report from the District's delinquent tax attorneys, Perdue, Brandon, Collins, Fielder & Mott, L.L.P. dated as of July 1, 2024, a copy of which is attached hereto as **Exhibit C**. Following discussion, it was noted that no action was required of the Board in connection with same.

ASSIGNMENT AND AMENDMENT OF AGREEMENT BETWEEN THE OWNER AND ENGINEER FOR PROFESSIONAL SERVICES

Mr. Robinett reminded the Board that Pape-Dawson acquired Costello last year. He explained to the Board that Costello now operates as Pape-Dawson, and Costello desires to assign

its engineering contract with the District to Pape-Dawson with the District's consent. In this regard, Ms. Henderson presented to and reviewed with the Board a form of Assignment and Amendment of Agreement Between Owner and Engineer for Professional Services by and among the District, Costello, and Pape-Dawson (the "Assignment and Amendment"), a copy of which Assignment and Amendment is attached hereto as **Exhibit D**. After discussion, Director Fitzgerald moved to approve the Assignment and Amendment, authorize the Board President to execute same on behalf of the District, and acknowledge the related Texas Ethics Commission ("TEC") Form 1295s from Costello and Pape-Dawson, respectively. Director Dalton seconded the motion, which carried unanimously.

ENGINEER'S REPORT

The Board next considered the Engineer's Report. In connection therewith, Mr. Robinett presented to and reviewed with the Board an Engineering Report dated July 1, 2024, a copy of which is attached hereto as **Exhibit E**. Mr. Robinett reminded the Board that the generators at the District's Joint Wastewater Treatment Plant and Lift Station Nos. 1 and 2 have been installed, but connection for gas has still not yet been completed by CenterPoint Energy. Mr. Robinett advised that Pape-Dawson is waiting for permits for same from Harris County and the Board queried about Pape-Dawson contacting the Harris County Permitting department directly regarding approval of same to expedite the approval. Mr. Robinett also noted that Change Order No. 2 presented at the May meeting for the installation of a generator at the District's Joint Wastewater Treatment Plant from CSE W-Industries had been misidentified in the Engineer's Report as Change Order No. 3. Mr. Robinett then presented and reviewed with the Board a revised 10-year Capital Improvement Plan (the "CIP"), which is included in **Exhibit E**.

Following discussion, Director Vinzant moved that the Board (i) authorize Pape-Dawson to advertise for bids relative to the Water Plant Improvements Project, Phase 1, (ii) authorize Pape-Dawson to contact Harris County regarding the approval of permits for gas connections for the generators at the Joint Wastewater Treatment Plant and Lift Stations Nos. 1 and 2, and (iii) approve the CIP as presented. Director Fitzgerald seconded the motion, which unanimously carried.

DISCUSSION REGARDING THE DISTRICT'S CONVERSION TO CHLORAMINE DISINFECTANT

The Board next considered the District's conversion to chloramine disinfectant and timing for implementation of same. Director Fitzgerald and Mr. Robinett discussed proposed options with the Board and advised that they were still doing their due diligence on the matter. Following discussion, the Board concurred for Director Dalton to request West Park Municipal Utility District delay its conversion to chloramine disinfectant until fall of 2025.

ACQUISITION OF PROPERTY OWNED BY SECOND BAPTIST CHURCH FOR A SECOND WATER WELL

Ms. Henderson noted that the Board would discuss the District's possible acquisition of property owned by Second Baptist Church (the "Church") in Closed Session.

OPERATIONS REPORT

Mr. Jenkins presented to and reviewed with the Board the Operations and Maintenance Report ("Operations Report") for the month of May 2024, a copy of which is attached hereto as **Exhibit F**. Mr. Jenkins recommended one (1) account in the amount of \$161.22 be referred to collections. Following discussion, Director Vinzant moved that Inframark be authorized to refer one (1) account in the amount of \$161.22 to collections. Director Fitzgerald seconded the motion, which unanimously carried.

Ms. Henderson next advised that Section 13.1396 of the Texas Water Code, as amended, requires the District to update its information identifying the location and description of facilities that have qualified for critical load status and its information regarding emergency contacts (a) annually to each electric utility that provides transmission and distribution service to the District and each retail electric provider that sells power to the District and (b) immediately upon any change in the information to the above entities, as well as to the Office of Emergency Management of Harris County, the Public Utility Commission of Texas, and the Division of Emergency Management of the Governor. After discussion on the matter, Director Vinzant moved that Inframark be authorized to make such annual submissions on behalf of the District. Director Fitzgerald seconded the motion, which unanimously carried.

AMENDMENT TO THE AMENDED AND RESTATED PROFESSIONAL SERVICES AGREEMENT BETWEEN INFRAMARK AND THE DISTRICT

The Board next considered an amendment to its Amended and Restated Professional Services Agreement between Inframark and the District. Mr. Jenkins presented a proposed amendment to the Board and advised that Inframark is requesting an automatic annual Consumer Price Index adjustment to its rates. Following discussion, the Board requested that Inframark provide historical rates for the Consumer Price Index in connection with same, and deferred on taking action on the matter at this time.

AMENDED AND RESTATED EMERGENCY WATER SUPPLY CONTRACT WITH HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 216 ("MUD 216")

The Board concurred that it had no interest in amending and restating the Emergency Water supply Contract with MUD 216 at this time and requested Ms. Henderson advise MUD 216 of same.

SECURITY MATTERS

Discussion ensued regarding security matters throughout the District. In connection therewith, Ms. Henderson presented to and reviewed with the Board a Green Trails Monthly Report dated as of May 2024, and a Harris County Constable Pct 5 Beat Activity Report for the month of May 2024, copies of which are attached hereto as **Exhibit G**.

AMENDMENT TO THE EMERGENCY AND INTERIM WATER SUPPLY CONTRACT WITH GREEN TRAILS MUNICIPAL UTILITY DISTRICT ("GREEN TRAILS")

In connection with the amendment to the Emergency and Interim Water Supply Agreement with the District and Green Trails (the "Amendment"), Ms. Henderson advised the Board that the draft Amendment has been reviewed and approved by Green Trails. Following discussion, it was moved by Director Dalton, seconded by Director Vinzant and unanimously carried, that the Amendment be approved and that the President be authorized to execute the amended contract on behalf of the Board and District.

MASS COMMUNICATION MESSAGING SYSTEM AND DISTRICT WEBSITE

Mr. Cashiola provided a brief update regarding the District's recently activated website and general mass communications messaging matters. Following discussion, the Board requested Classic provide quarterly reports on website activity and text messaging opt-ins.

STATUS OF HIKE AND BIKE UNDERPASS ON FRY ROAD BY WILLOW FORK DRAINAGE DISTRICT ("WILLOW FORK")

Ms. Henderson advised that she had nothing new to report to the Board at this time in connection with the status of the installation by Willow Fork of a hike and bike underpass to be located on Fry Road.

AUTHORIZE COMPLETION, EXECUTION AND FILING WITH THE SECRETARY OF STATE OF A VOTING SYSTEM ANNUAL FILING FORM

The Board considered authorizing the completion, execution and filing with the Secretary of State of a Voting System Annual Filing Form relative to District elections. Ms. Henderson advised that pursuant to the Texas Election Code, each political subdivision in the State of Texas is required to complete and file said Form with the Secretary of State's office. After discussion, Director Pichon moved that SPH be authorized to complete and execute the Voting System Annual Filing Form and to file same with the Secretary of State's Office on behalf of the Board and the District. Director Dalton seconded said motion, which carried unanimously.

ATTORNEY'S REPORT

The Board next considered the attorney's report. In connection therewith, Ms. Henderson advised that she had nothing further of a legal nature to discuss with the Board at this time.

STATUS OF LITIGATION INVOLVING THE DISTRICT

The Board next considered the status of potential litigation involving the District. In connection therewith, Ms. Henderson advised the Board that the District had been non-suited without prejudice from case. She advised that this item can now be removed from the agenda.

CLOSED SESSION

The President announced at 1:55 p.m. that the Board would convene in Closed Session pursuant to Texas Government Code, Section 551.072. All of those in attendance, with the exception of the Board, Mr. Robinett, Mr. Wempe, Ms. Henderson, Ms. Kanarr, and Ms. Griffiths, exited the meeting at this time.

RECONVENE IN OPEN SESSION

The Board reconvened in Open Session at 2:11 p.m. with the Board, Mr. Robinett, Mr. Wempe, Ms. Henderson, Ms. Kanarr, and Ms. Griffiths in attendance.

Following discussion of matters relative to the District's possible acquisition of property owned by Second Baptist Church for drilling of a second water well and access to site in connection with same, Director Vinzant moved that the District (i) engage Wilson, Cribbs & Goren, P.C. ("Wilson Cribbs") for legal representation regarding the use of land for public utility purposes in connection with said acquisition and authorize the President to execute the Attorney Engagement and Fee Agreement (the "Agreement") with Wilson Cribbs on behalf of the District, and authorize SPH to accept any TEC Form 1295 in connection with the Agreement, (ii) accept Pape-Dawson's proposal for re-platting of water well site, a copy of which is attached hereto as **Exhibit H**, and (iii) authorize SPH to prepare and submit to Second Baptist Church an updated offer letter for acquisition of property for same pursuant to the terms discussed in Closed Session. Director Pichon seconded the motion, which unanimously carried.

FUTURE AGENDA ITEMS

The Board considered items for placement on future agendas. No items were requested to be added to future agendas other than those items hereinabove discussed.

ADJOURNMENT

There being no further business to come before the Board, upon motion made by Director Dalton, seconded by Director Vinzant and unanimously carried, the meeting was adjourned.




Secretary

List of Attachments to
Harris County Municipal Utility District No. 345
Minutes of Meeting of July 1, 2024

Exhibit A	Bookkeeper's Report
Exhibit B	Tax Assessor-Collector Report
Exhibit C	Delinquent Tax Report
Exhibit D	Assignment and Amendment of Agreement
Exhibit E	Engineer's Report and CIP
Exhibit F	Monthly Operations Report
Exhibit G	Security Reports
Exhibit H	Pape-Dawson Re-Plat Proposal