

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 345

Minutes of Meeting of Board of Directors

July 15, 2024

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 345 (the "District") met in regular session at the Board's designated meeting place at 1300 Post Oak Boulevard, Suite 2500, Houston, Harris County, Texas, on July 15, 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 Pichon, thus constituting a quorum. Director Pichon entered the meeting at a later time as noted herein.

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 and Charlotte Griffiths of Schwartz, Page and 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. The Board recognized Ms. Smith who addressed the Board regarding various District matters, including the District's general communications with residents, the potential conversion to surface water, the District's water sourcing plans and the environmental reports in connection with same, levels of arsenic in the District's water supply and blending water sources to reduce same, and the District's May 4, 2024 Director's Election.

Director Pichon entered the meeting at this time.

APPROVAL OF MINUTES

Ms. Henderson noted that the draft minutes of the July 1, 2024 Board of Director's meeting were being prepared and would be distributed in advance of the next meeting.

BOOKKEEPER'S REPORT

Ms. Cooper presented to and reviewed with the Board a Bookkeeper's Report dated July 15, 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. Following discussion, Director Pichon moved that the Board approve the Bookkeeper's Report and authorize payment of the disbursements listed therein. Director Fitzgerald seconded the motion, which unanimously carried. Ms. Cooper also advised the Board that the cost for the May 4, 2024 Director's Election was \$47,989.38.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Mata presented to and reviewed with the Board the Tax Assessor-Collector's Report dated as of June 30, 2024, a copy of which is attached hereto as **Exhibit B**. Following review and discussion of the report submitted, it was moved by Director Vinzant, seconded by Director Fitzgerald and unanimously carried, that the Tax Assessor-Collector Report dated as of June 30, 2024, be approved, and that the disbursements identified therein be authorized for payment from the District's Tax Account.

DELINQUENT TAX REPORT

Ms. Henderson reported that a Delinquent Tax Report was not received this month from the District's delinquent tax attorneys, Perdue, Brandon, Collins, Fielder & Mott, L.L.P.

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 15, 2024, a copy of which is attached hereto as **Exhibit C**. Following discussion, it was noted that no action was required in connection with same.

DISCUSSION REGARDING CONVERSION TO CHLORAMINE DISINFECTANT AND AUTHORIZE ANY ACTION IN CONNECTION THEREWITH;

The Board then discussed potentially converting the District's system to chloramine disinfection and the timeline or implementation of same. In connection therewith, Director Fitzgerald and Mr. Robinett presented to the Board the District's Water Production Report for the last calendar year and addressed the District's options to utilize its existing interconnects, copies of which are included with the Engineer's Report, if the Board determines to discontinue the use of its interconnect with West Park Municipal Utility District ("West Park") due to West Park's impending conversion to surface water. Mr. Robinett advised that a request has been made to West Park to delay its conversion to chloramine disinfectant until the fall of 2025 in order to allow the District to continue to utilize the interconnect during the summer of 2025. Director Fitzgerald advised that, due to the amount of water that each interconnect partner has advised it can provide the District during the summer months, the best option is for the District to bifurcate its waterline

system so a part of the District will be supplied with water from Harris County Municipal Utility District No. 216 and a part of the District will be supplied with water from West Park. Mr. Jenkins then advised the Board of the potential issues with bifurcating the District's system and the timeframe it would take to flush the part of the District's system that would utilize West Park's interconnect under such scenario. The Board then queried whether the District would be able to utilize its interconnect partners' other interconnects in order for the District to obtain the amount of water it might need during the summer months. After a lengthy discussion, it was moved by Director Fitzgerald, seconded by Director Wright and unanimously carried, that the District authorize Pape-Dawson to prepare a cost estimate for construction of an emergency interconnect with Mason Creek Utility District ("Mason Creek") and to communicate with Mason Creek for its approval for an emergency interconnect with the District.

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. Buckley presented to and reviewed with the Board the Operations and Maintenance Report ("Operations Report") for the month of June 2024, a copy of which is attached hereto as **Exhibit D**. He then presented the Board with a quote from Alsay Incorporated ("Alsay") in the amount of \$2,500.00, a copy of which is included with **Exhibit D**, to inspect the District's spare water well motor pump and store it at Alsay's offices. Following discussion, the Board requested additional information from Alsay regarding timing of the inspection and location of its offices. No action was taken by the Board in connection with same.

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

The Board next considered an amendment to the Amended and Restated Professional Services Agreement between Inframark and the District. In connection therewith, Mr. Jenkins presented to and reviewed with the Board the historical Consumer Price Index ("CPI") data as requested by the Board at the July 1, 2024 meeting, a copy of which is included with the Operations Report. Following discussion, the Board requested that Inframark remove the automatic annual CPI adjustment language from the amendment for presentation at the next Board meeting.

APPROVAL OF AN AMENDED RATE ORDER

The Board next considered amending the District's Rate Order. Following discussion, the Board deferred taking action on the matter.

SECURITY MATTERS

The Board next considered security matters throughout the District. Ms. Henderson noted that there were no reports in connection with same available at this time.

MASS COMMUNICATION MESSAGING SYSTEM AND DISTRICT WEBSITE

The Board next considered the status of communications within District and the District's website. Following discussion, no action was taken by the Board regarding this matter.

Director Dalton exited the meeting at this time.

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.

REVIEW OF MEMORANDUM REGARDING ELECTRONIC STORAGE OF DISTRICT'S RECORDS AND APPROVAL OF RESOLUTION ADOPTING RECORDS RETENTION SCHEDULES AND POLICIES AND PROCEDURES FOR ELECTRONIC STORAGE OF SAME

Ms. Henderson presented to and reviewed with the Board a memorandum from SPH, which is attached hereto as **Exhibit E**, regarding the legal requirements to electronically store District records and destroy the paper copies of such records. In this regard, she recommended that the Board approve the Resolution Adopting Records Retention Schedules and Policies and Procedures for Electronic Storage of District Records attached hereto as **Exhibit F** (the "Records Resolution"). After discussion, Director Vinzant moved to approve the Records Resolution, and authorize the Records Management Officer to execute the related certifications, and that same be submitted to the Texas State Library and Archives Commission for review and approval. Director Fitzgerald seconded the motion, which unanimously carried.

Director Dalton re-entered the meeting at this time.

RECORDS DESTRUCTION REQUEST

Ms. Henderson reported that the District's Records Retention Schedules adopted in connection with its Records Management Program require that records of the District be retained only for specific periods of time based on the type of record. As an example, she explained that notes taken during meetings and which are used to prepare the official minutes of Board meetings are to be retained for ninety days after approval of such minutes by the Board. She next presented a request from the Records Management Officer for approval to destroy certain records (which will not be scanned in and stored electronically) in accordance with the District's Records Retention Schedules, a copy of which request is attached hereto as **Exhibit G** (the "Request").

After discussion, Director Pichon moved that SPH be authorized to destroy the records described in the Request. Director Fitzgerald 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.

CLOSED SESSION

The President announced at 1:35 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 and Ms. Griffiths, exited the meeting at this time.

RECONVENE IN OPEN SESSION

The Board reconvened in Open Session at 1:44 p.m. with the Board, Mr. Robinett, Mr. Wempe, Ms. Henderson and Ms. Griffiths in attendance. No action was taken by the Board in connection with matters discussed in Closed Session.

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 Pichon, seconded by Director Fitzgerald and unanimously carried, the meeting was adjourned.



SEAL

Secretary

List of Attachments to
Harris County Municipal Utility District No. 345
Minutes of Meeting of July 15, 2024

- | | |
|-----------|---|
| Exhibit A | Bookkeeper's Report |
| Exhibit B | Tax Assessor-Collector Report |
| Exhibit C | Engineer's Report |
| Exhibit D | Operations Report |
| Exhibit E | SPH Memorandum Regarding Electronic Storage of District Records |
| Exhibit F | Records Resolution |
| Exhibit G | Request to Destroy Certain Records |