

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 345

Minutes of Meeting of Board of Directors

October 21, 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 October 21, 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 Directors Dalton and Wright, thus constituting a quorum. Directors Dalton and Wright entered the meeting at a later time, as noted herein.

Also present were Chad Buckley of Inframark, LLC ("Inframark"); Yaneth Cooper of Municipal Accounts & Consulting, L.P. ("MA&C"); Isabel Mata of Wheeler & Associates, Inc. ("Wheeler"); Bob Wempe of Pape-Dawson Consulting Engineers, LLC ("Pape-Dawson"); Karen Sears of Storm Water Solutions, LLC ("SWS"); and Kate Henderson and Linda Knox of Schwartz, Page and Harding, L.L.P. ("SPH"). Angela Smith, a resident of the District, entered the meeting at a later time, as noted herein.

In the absence of the President and Vice President, the Secretary 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. There being no comments from members of the public, the Board continued to the next item of business.

APPROVAL OF MINUTES

The Board considered approval of the minutes of its regular meeting held on September 16, 2024. After review and discussion of the minutes presented, Director Fitzgerald moved that such minutes be approved, as written. Director Pichon seconded said motion, which unanimously carried.

PUBLIC HEARING REGARDING ADOPTION OF 2024 TAX RATE

The Board next conducted a public hearing regarding the adoption of the District's proposed 2024 tax rate. Ms. Mata confirmed that the notice of the District's intent to adopt and levy a 2024 tax rate had been published in the *Houston Chronicle* in accordance with all legal requirements and as directed by the Board at its previous meeting.

There being no comments presented by the public with respect to the District's proposed 2024 tax rate, the hearing was closed by the concurrence of the Board.

LEVY OF THE DISTRICT'S 2024 TAX RATE

The Board next discussed the setting of the 2024 tax rate. After discussion on the matter, Director Pichon moved that: (i) the Board adopt the tax rate as proposed at the District's September 16, 2024, meeting and as reflected in the notice; (ii) the Board levy a 2024 maintenance tax rate of \$0.1580 per \$100 assessed valuation; and (iii) the Order Levying Taxes, attached hereto as **Exhibit A**, be adopted in connection therewith, and that the President be authorized to execute and the Secretary to attest same on behalf of the Board and the District. Director Fitzgerald seconded said motion, which carried unanimously.

AMENDMENT TO THE AMENDED AND RESTATED DISTRICT INFORMATION FORM

Ms. Henderson next presented and reviewed with the Board a proposed Amendment to the District's Amended and Restated District Information Form (the "DIF") in connection with the District's 2024 tax rate. She advised that an Amendment of the DIF must be prepared and recorded in the Real Property Records of Harris County and subsequently filed with the Texas Commission on Environmental Quality (the "TCEQ") any time any of the required information therein changes, such as the adoption of a new tax rate. Following discussion, Director Vinzant moved that the Amendment to the DIF be approved and that all of the Board members present be authorized to execute same on behalf of the Board and the District. Director Pichon seconded said motion, which unanimously carried.

Directors Dalton and Wright and Ms. Smith entered the meeting during the above discussion.

BOOKKEEPER'S REPORT

Ms. Cooper presented to and reviewed with the Board a Bookkeeper's Report dated October 21, 2024, a copy of which is attached hereto as **Exhibit B**, 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 Fitzgerald moved that the Board approve the Bookkeeper's Report and authorize payment of the disbursements listed therein. Director Dalton seconded the motion, which unanimously carried.

ANNUAL REVIEW OF ORDER ESTABLISHING POLICY FOR INVESTMENT OF DISTRICT FUNDS AND APPOINTING INVESTMENT OFFICER; ADOPTION OF RESOLUTION AND AMENDED ORDER IN CONNECTION THEREWITH

The Board considered the annual review of its Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Investment Policy"), and the adoption of a Resolution in connection therewith. Ms. Henderson advised that there were no recommended changes to the Investment Policy at this time. Ms. Henderson then presented for the Board's adoption a Resolution Regarding Review of Order Establishing Policy for Investment of District Funds and Appointing Investment Officer ("Resolution"). After discussion on the matter, Wright moved that the Investment Policy be affirmed, that the Resolution attached hereto as **Exhibit C** be adopted, and that the President and Secretary be authorized to execute same. Director Vinzant seconded said motion, which unanimously carried.

STATUS OF DISTRICT'S COMPLIANCE WITH TEXAS GOVERNMENT CODE, CHAPTER 2265, RELATIVE TO ENERGY REPORTING

The Board next considered the status of the District's compliance with Texas Government Code, Chapter 2265, relative to energy reporting. Ms. Henderson advised that pursuant to such energy efficiency and reporting requirements, the District must report its annual electricity usage and cost and make such report assessable to the public. Ms. Cooper the presented for the Board's review an Electricity Utility Usage and Cost Report, included with **Exhibit B**. Ms. Henderson advised that no further action is required for compliance.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Mata presented to and reviewed with the Board the Tax Assessor-Collector's Report dated as of September 30, 2024, a copy of which is attached hereto as **Exhibit D**. Following review and discussion of the report submitted, it was moved by Director Fitzgerald, seconded by Director Wright and unanimously carried, that the Tax Assessor-Collector Report dated as of September 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. Wempe presented to and reviewed with the Board an Engineering Report dated October 21, 2024, a copy of which is attached hereto as **Exhibit E**. In connection with the construction of the Second Water Well and the District's application for a waiver of the Sanitary Control Easements in connection therewith, Mr. Wempe advised that the Texas Commission on Environmental Quality ("TCEQ") informed Pape-Dawson that ownership of two (2) of the three (3) properties had changed since the

request letters for the Sanitary Control Easements were sent to the property owners. Ms. Henderson reminded the Board that the District ordered ownership and lienholder reports for the properties prior to sending the letters and that SPH can order updated ownership and lienholder reports to confirm ownership for the two (2) properties had changed. The Board then requested that Pape-Dawson include the proposed schedule with respect to the Second Water Well in the Engineer's Report going forward. Following discussion, no action was taken by the Board in connection with the Engineer's Report.

REQUEST TO WEST PARK MUNICIPAL UTILITY DISTRICT ("WEST PARK") TO DELAY ITS SURFACE WATER CONVERSION PROJECT

Ms. Henderson reminded the Board that the engineer for West Park confirmed that West Park's surface water conversion project would be delayed until October 2025, and noted that receipt of a formal written confirmation from West Park was still pending. Ms. Henderson said that she would follow up with the attorney for West Park, and Director Dalton said that he would follow up with the West Park Board President in connection with the matter. Following discussion, the Board concurred that no action was required at this time.

ACQUISITION OF PROPERTY OWNED BY SECOND BAPTIST CHURCH (THE "CHURCH") FOR A SECOND WATER WELL

Ms. Henderson advised the Board that the acquisition of the property for the Second Water Well had been finalized and the Special Warranty Deed for the property had been recorded in the Real Property Records of Harris County. Ms. Henderson then requested that Mr. Wempe check on the status of re-platting of the newly acquired property in connection with construction of the Second Water Well.

Following further discussion of the TCEQ's notice regarding the Sanitary Control Easement waiver, Director Vinzant moved to authorize SPH to order updated ownership and lienholder reports for the two (2) properties, and if necessary, send letters to the new property owners requesting Sanitary Control Easements. Director Fitzgerald seconded the motion, which unanimously carried.

OPERATIONS REPORT

Mr. Buckley presented to and reviewed with the Board the Operations and Maintenance Report ("Operations Report") for the month of September 2024, a copy of which is attached hereto as **Exhibit F**. In connection therewith, Mr. Buckley advised the Board that the billing service Inframark utilizes for mailing water bills did not mail out water bills last month, and that (i) the District will not be charged for last month's billing service, and (ii) Inframark is waiving all customer late fees and not recommending any terminations during said billing period. Ms. Henderson advised the Board that the District received several emails from residents regarding late water bills and that such correspondences were sent to Inframark for further handling. After discussion, the Board concurred to include information regarding such waiver of late fees on the District's website.

Mr. Buckley next presented to the Board a proposal from Allied Utility Construction, Inc. in the amount of \$1,850 to trim two large trees hanging over the generator at Lift Station No. 2 in order to eliminate any fire hazard.

Mr. Buckley then presented and reviewed with the Board a schedule of testing for arsenic levels in the District's water supply by the TCEQ and Inframark. He then advised the Board that, due to changes at Inframark, Inframark did not sample the District's water at the same time as the TCEQ during the first quarter of 2024.

Mr. Buckley reminded the Board of the option to bifurcate the District's waterline system in the event that West Park has converted to chloramine disinfectant and there is a need for the District to utilize its emergency interconnects prior to completion of the second water well. He then informed the Board that the waterline and valve discussed at last month's meeting had been located and recommended a repair to the valve's damaged cast iron stack and installation of a concrete pad and signage at an estimated cost of \$3,000.

Following a lengthy discussion, Director Fitzgerald move to approve the Monthly Operations Report and all recommendations therein, including (i) authorizing tree trimming services by Allied Utility Construction, LLC in the amount of \$1,850.00, and (ii) authorizing Inframark to remove the damaged cast iron stake and installing a concrete pad and signage at the valve required to bifurcate the District's system at a cost not to exceed \$3,000.00. Director Pichon seconded the motion, which unanimously carried.

GREEN TRAILS OGT UNIT CLEAN OUT

The Board next recognized Ms. Sears, who presented to and reviewed with the Board a proposal from SWS for the clean out of the Green Trails OGT Unit, a copy of which is attached hereto as **Exhibit G**, in a total amount of \$3,700.00. Following review and discussion, it was moved by Director Vinzant, seconded by Director Fitzgerald, and unanimously carried that (i) the President be authorized to execute the proposal from SWS for the for the clean out of the Green Trails OGT in the total amount of \$3,700.00 on behalf of the Board and District, and (ii) SWS's Texas Ethics Commission ("TEC") Form 1295 be accepted and SPH be authorized to acknowledge receipt of same with the TEC.

SECURITY MATTERS

The Board next considered security matters throughout the District. In connection therewith, Ms. Henderson noted that she did have reports to present to the Board at this time.

MASS COMMUNICATION MESSAGING SYSTEM AND DISTRICT WEBSITE

The Board next considered the status of communications within the District and the District's website. In connection therewith, Ms. Henderson presented to and reviewed with the Board a report from Classic Messaging, LLC, attached hereto as **Exhibit H**, regarding the status

of communications for the District and website analytics. Following discussion, no action was taken by the Board regarding this matter.

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.

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

Ms. Henderson advised the Board that it would not be necessary to convene in closed session at this time.

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 October 21, 2024

Exhibit A	Order Levying Taxes
Exhibit B	Bookkeeper's Report
Exhibit C	Resolution Regarding Annual Review of Investment Policy
Exhibit D	Tax Assessor-Collector Report and Accounts Recommended for Uncollectible Tax Roll
Exhibit E	Engineer's Report
Exhibit F	Operations Report
Exhibit G	Proposal for Green Trails OGT Unit Clean Out
Exhibit H	Communications and Website Analytics Report