

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 345

Minutes of Meeting of Board of Directors

February 17, 2025

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 February 17, 2025, 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, except Directors Wright and Vinzant, thus constituting a quorum.

Also present were Yaneth Cooper of Municipal Accounts & Consulting, L.P. ("MA&C"); Isabel Mata of Wheeler & Associates, Inc. ("Wheeler"); Chad Buckley of Inframark, LLC ("Inframark"); Bob Wempe of Pape-Dawson Consulting Engineers, LLC ("Pape-Dawson"); Angela Smith, a resident of the District; Dr. Ravi Somayazula, Evan Alford, and Cory Porter, members of the public; 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 videoconference meeting accommodations.

The Board next recognized Dr. Somayazula and Messrs. Alford and Porter. Mr. Porter introduced himself as the engineer for the development of a commercial property within the District owned by Dr. Somayazula, which will be developed as a medical office building, and requested that the Board reconsider the "tap fee" calculation by Inframark in accordance with the District's Rate Order, especially relative to the cost of the six inch (6") nonstandard commercial connection in the development's current plans. Dr. Somayazula advised that he is requesting the District provide the six inch (6") tap at cost. Mr. Buckley and Mr. Wempe advised that there were ways to reduce the total cost by changing the development plans and the revised plans are in process by the developer's engineer. Following discussion, the Board concurred to take the request under consideration.

Dr. Somayazula and Messrs. Alford and Porter exited the meeting at this time.

APPROVAL OF MINUTES

The Board considered approval of the minutes of its regular meeting held on January 20, 2025. After review and discussion of the minutes presented, Director Fitzgerald moved that such minutes 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 February 17, 2025, 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, including check no. 11916 and with the exception of check nos. 11890 and 11892, which were voided. Director Fitzgerald 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 January 31, 2025, a copy of which is attached hereto as **Exhibit B**. Following review and discussion of the report submitted, it was moved by Director Fitzgerald, seconded by Director Pichon and unanimously carried, that the Tax Assessor-Collector Report dated as of January 31, 2025, be approved, and that the disbursements identified therein be authorized for payment from the District's Tax Account.

BUSINESS LIST UPDATE FOR THE DISTRICT'S STRATEGIC PARTNERSHIP AGREEMENT WITH THE CITY OF HOUSTON

The Board considered the status of the Business List Update relative to the District's Strategic Partnership Agreement with the City of Houston. In connection therewith, Ms. Henderson presented to and reviewed with the Board a Business List Update, as prepared and timely submitted to the City of Houston by Sales Revenue, Inc., as required, on behalf of the Board and the District. Copies of the Business List Update are attached hereto as **Exhibit C**. Following review and discussion, Ms. Henderson confirmed that no further action was required by the Board in connection with this matter.

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.

RESOLUTION CONCERNING DEVELOPED DISTRICT STATUS FOR 2025 TAX YEAR

Ms. Henderson reminded the Board of the procedures applicable to the adoption of the District's tax rate will depend, in part, upon whether the District is determined to be a "Developed District" under Texas Water Code Section 49.23602. Ms. Henderson then reviewed with the Board a worksheet completed by Pape-Dawson to assist the Board in making this determination, along with a Resolution Concerning Developed District Status for the 2025 Tax Year. She advised the Board that, pursuant to said worksheet, the District is a "Developed District" under said law. Following discussion, upon motion made by Director Fitzgerald, seconded by Director Pichon, and unanimously carried, the Resolution Concerning Developed District Status for 2025 Tax Year attached hereto as part of **Exhibit D** was adopted by the Board.

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 February 17, 2025, a copy of which is attached hereto as **Exhibit E**. In connection therewith, Mr. Wempe requested the Board's authorization to advertise for bids for the Second Water Well project. Ms. Henderson then presented to and reviewed with the Board a letter from Mason Creek Utility District regarding the emergency interconnect, a copy of which is attached hereto as **Exhibit F**. Mr. Wempe then informed the Board that Harris County Precinct 4 ("Precinct 4") has approved two (2) of Harris County Municipal Utility District No. 346's proposed sidewalk and trail repair projects: the Green Trails and Heatherwood Sidewalk Replacement project and the Barker Cypress Sidewalk Extension project.

He then informed the Board that Precinct 4 has determined that the repair of the sidewalk ramp at Crescent Green Drive and Crescent Parkway Court is functional and any concerns are cosmetic. Following discussion, the Board concurred not to take any further action on this item and requested it be removed from the agenda going forward.

Following discussion, Director Fitzgerald moved that the Board (i) authorize Pape-Dawson to advertise for the Second Water Well project subject to approval of incentives and disincentives by Director Fitzgerald and SPH, (ii) approve Progress Payment No. 4 and Final in the amount of \$30,946.90 and Change Order No. 1 for a reduction of \$2,675.00 from CSE W-Industries relative to the generator project for the Joint Wastewater Treatment Plant, and (iii) authorize Mr. Buckley and Director Fitzgerald to attend the next Harris County Municipal Utility District No. 346 Board of Directors meeting on behalf of the Board and District regarding the proposed emergency interconnect with Mason Creek Utility District. Director Dalton 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 January 2025, a copy of which is attached hereto as **Exhibit G**. He informed the Board of an excursion at the Joint Wastewater Treatment Plant

due to elevated levels of E. Coli. He then advised the Board of the low accountability for the reporting period, and advised the Board that Inframark is investigating reasons for same. Following discussion, it was noted that no action was required of the Board in connection with the Operator's report.

CONSUMER CONFIDENCE REPORTS

The Board considered authorizing Inframark to provide required information to districts receiving water through an emergency interconnect relative to Consumer Confident Reports ("CCR") and to prepare a draft CCR for review by the Board. Ms. Henderson advised that, pursuant to CCR requirements promulgated by the United States Environmental Protection Agency and the Texas Commission on Environmental Quality ("TCEQ"), the District is required to provide (i) a report containing various information regarding the District's water supply to any other water supplier which has received water from the District during the prior calendar year by April 1, 2025, and (ii) a report containing various information regarding the District's water supply to all customers of the District by July 1, 2025. After discussion, it was duly moved by Director Fitzgerald, seconded by Director Pichon and unanimously carried, that (i) Inframark be authorized to provide the required information to districts receiving water relative to CCRs, and (ii) Inframark be authorized to prepare the CCR and SPH be authorized to review same for compliance with the TCEQ's regulatory requirements, as discussed above.

OPERATIONS ADVISORY COMMITTEE REPORT RELATIVE TO JOINT WASTEWATER TREATMENT PLANT (WWTP)

Director Fitzgerald advised that he had no update regarding the Operations Advisory Committee at this time.

SECURITY MATTERS

The Board next considered security matters throughout the District. In connection there with, Ms. Henderson presented to and reviewed with the Board the January 2025 Green Trails Monthly Report and Harris County Constable Precinct 5 Beat Activity Report, copies of which are attached hereto as **Exhibit H**. Following discussion, it was noted that no action was required of the Board in connection with the security reports.

ANNUAL REVIEW OF SURVEY OF WAGE RATE SCALES AND ADOPTION OF RESOLUTION ADOPTING PREVAILING WAGE RATE SCALE FOR CONSTRUCTION PROJECTS

The Board next considered the review of an annual survey of prevailing wage rate scales for construction projects and the adoption of a Resolution Adopting Prevailing Wage Rate Scale for Construction Projects (the "Wage Rate Resolution") in connection therewith. In that regard, Ms. Henderson reported that SPH is recommending that the District continue to adopt the wage rate scales as determined by the United States Department of Labor ("DOL") for Harris County (the "County"). After discussion on the matter, Director Fitzgerald moved that the DOL wage rate scales for the County be adopted as the District's prevailing wage rate scales for construction

projects, and that the Wage Rate Resolution, attached hereto as **Exhibit I**, be adopted by the Board. Director Dalton seconded said motion, which unanimously carried.

PROPOSALS FOR RENEWAL OF DISTRICT INSURANCE COVERAGES

The Board next considered proposals for renewal of the District's insurance policies. Ms. Henderson reminded the Board that the District's current insurance policies were issued through Brown & Brown Insurance ("Brown") and that such policies will expire on March 31, 2025. She then presented to and reviewed with the Board the renewal proposal from Brown, a copy of which is attached hereto as **Exhibit J**. She advised that SPH had also solicited proposals from Arthur J. Gallagher Insurance and McDonald & Wessendorff Insurance, as authorized by the Board at the January meeting, and the proposals had not yet been received from the brokers. The Board deferred discussion regarding insurance proposals until its March meeting.

MASS COMMUNICATION MESSAGING SYSTEM AND DISTRICT WEBSITE

The Board next considered the status of communications within the District and the District's website. Ms. Henderson presented to and reviewed with the Board communications reports from the District's mass communication messaging system and website provider, Classic Messaging LLC ("Classic"). Copies of the reports are attached hereto as **Exhibit K**. The Board also noted that a contact form had been successfully added to the website by Classic. Following discussion, it was noted that no action was required of the Board in connection with the reports 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.

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 1:40 p.m. that the Board would convene in Closed Session pursuant to Texas Government Code, Sections 551.071 and 551.089. All of those in attendance, with the exception of the Board, Mr. Buckley, Mr. Wempe, Ms. Griffiths and Ms. Henderson, exited the meeting at this time.

RECONVENE IN OPEN SESSION

The Board reconvened in Open Session at 3:07 p.m., with the Board, Mr. Buckley, Mr. Wempe, Ms. Griffiths and Ms. Henderson in attendance. No action was taken by the Board regarding matters discussed in Closed Session.

OPERATOR'S REPORT (CONT'D)

The Board then reconsidered the Operator's report and the appeal of the District's tap fee charge in connection with the proposed medical office building. Following discussion, the Board concurred for the developer to submit revised plans for the project for Inframark to determine the reduced tap fee costs in accordance with the District's Rate Order.

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.



Secretary

A stylized, handwritten signature in blue ink, consisting of several loops and a long horizontal stroke, positioned over a horizontal line.

List of Attachments to
Harris County Municipal Utility District No. 345
Minutes of Meeting of February 17, 2025

Exhibit A	Bookkeeper's Report
Exhibit B	Tax Assessor-Collector Report
Exhibit C	Business List Update
Exhibit D	Resolution Concerning Developed District Status for 2025 Tax Year
Exhibit E	Engineer's Report
Exhibit F	Letter from Mason Creek Utility District
Exhibit G	Operations Report
Exhibit H	Security Matters
Exhibit I	Resolution Adopting Prevailing Wage Rate Scale for Construction Projects
Exhibit J	Brown Insurance Proposal
Exhibit K	Communications Reports