

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 345

Minutes of Meeting of Board of Directors

May 19, 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 May 19, 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 Dalton and Wright, 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"); Jennifer Hanna of Forvis Mazars, LLP ("Forvis"); Angela Smith, a resident of the District; and Kate Henderson and Charlotte Griffiths of Schwartz, Page and Harding, L.L.P. ("SPH"). Bob Wempe of Pape-Dawson Engineers, LLC ("Pape-Dawson") entered the meeting at a later time as noted herein.

In the absence of the President and Vice President, the Board considered appointment of Director Fitzgerald as President Pro Tem. After discussion, it was moved by Director Vinzant, seconded by Director Pichon and unanimously carried that Director Fitzgerald be appointed as President Pro Tem. The President Pro Tem then 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 and recognized Ms. Smith. Ms. Smith requested that the Board consider a virtual option for residents to participate in Board meetings and if not, requested the Board move meetings to inside the boundaries of the District. She noted that she would submit a written request to move the meetings inside the boundaries of the District as prescribed by the Texas Water Code, if necessary. There being no further 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 April 21, 2025. After review and discussion of the April 21, 2025, minutes presented, Director Pichon

moved that such minutes be approved, as written. Director Fitzgerald seconded said motion, which unanimously carried.

REVIEW AND APPROVAL OF AUDIT REPORT

The Board considered the review and approval of the District's audit report for the fiscal year ended January 31, 2025. In connection therewith, Ms. Hanna presented a draft of the audit report prepared by Forvis, a copy of which is attached hereto as **Exhibit A**, and reviewed said audit in detail with the Board. Following review and discussion, it was moved by Director Vinzant, seconded by Director Pichon and unanimously carried, that (i) the audit report for the fiscal year ended January 31, 2025, be approved, subject to final review by the District's consultants, (ii) the President Pro Tem be authorized to execute the Annual Filing Affidavit on behalf of the Board and the District, and (iii) such audit report and Annual Filing Affidavit be filed with the appropriate governmental authorities, including the Texas Commission on Environmental Quality ("TCEQ") and the Texas Comptroller of Public Accounts (the "Comptroller"), as required.

In connection with the District's audit, Ms. Hanna next presented to and reviewed with the Board a draft of the Management Representation Letter prepared by Forvis, concerning the Board's internal controls over financial reporting (the "MRL"), a copy of which is included in **Exhibit A**. In connection therewith, Ms. Hanna advised the Board that the MRL is being submitted in connection with the requirements of the Statement on Auditing Standards No. 115, and includes Management's Response to said letter. Ms. Hanna additionally presented for the Board's review, a Board Communication Letter from Forvis, a copy of which is included in **Exhibit A**, summarizing various information that Forvis is required to communicate to the Board as part of its audit of the District's financial statements. Following discussion, it was moved by Director Vinzant, seconded by Director Pichon and unanimously carried, that the draft Management Response be approved, as presented, and that same be included in the final MRL.

BOOKKEEPER'S REPORT

Ms. Cooper presented to and reviewed with the Board a Bookkeeper's Report dated May 19, 2025, 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. Ms. Cooper noted that she had two additional checks for approval being (i) check no. 11990 out of the General Operating Fund in the amount of \$18,824.20 payable to W-Industries, and (ii) check no. 5335 out of the Joint Water Plant Fund in the amount of \$129,960.00 payable to CFG Industries, LLC. Following discussion, Director Pichon moved that the Board approve the Bookkeeper's Report and authorize payment of the disbursements listed therein, with the addition of checks no. 11990 out of the General Operating Fund and check no. 5335 out of the Joint Water Plant Fund, and with the exception of check nos. 11967 and 11968, which were voided. Director Fitzgerald seconded the motion, which unanimously carried.

Mr. Wempe entered the meeting at this time.

CLIENT SERVICES AGREEMENT WITH HR&P, INC. ("HR&P")

The Board next considered the Client Services Agreement with HR&P Company ("HRP") presented at its April meeting. In connection therewith, Ms. Cooper said that all Board members had expressed a willingness to participate, as required by the program. Following discussion, Director Vinzant moved to (i) approve the Client Services Agreement with HRP, (ii) authorize the Board President to execute said Agreement, and (iii) accept the Texas Ethics Commission ("TEC") Form 1295 provided by HRP and authorize SPH to acknowledge the District's receipt of same. Director Fitzgerald seconded the motion, which carried unanimously.

ADOPTION OF RESOLUTION AUTHORIZING ELECTRONIC TRANSFER OF FUNDS FOR DIRECTOR PER DIEMS AND EXPENSE REIMBURSEMENTS

The Board next considered the adoption of a Resolution Authorizing Electronic Transfer of Funds for Director Per Diems and Expense Reimbursements, which is attached hereto as **Exhibit C**. Ms. Henderson explained that Section 49.151 of the Texas Water Code authorizes the Board, by resolution, to allow for disbursements of District funds to be transferred by electronic means. She further explained that the subject Resolution would allow for electronic transfer of funds to HRP for the sole purposes of direct deposit of director per diems and expense reimbursements, associated payroll tax payments to the Internal Revenue Service, and payment of processing fees to HRP. Following discussion, Director Vinzant then moved that the Resolution Authorizing Electronic Transfer of Funds for Director Per Diems and Expense Reimbursements be adopted by the Board and the District. Director Fitzgerald seconded the motion, which passed unanimously.

UNCLAIMED PROPERTY REPORT AS OF MARCH 1, 2024

The Board considered approval of an Unclaimed Property Report as of March 1, 2025, and the filing of same with the Texas Comptroller of Public Accounts (the "Comptroller") prior to July 1, 2025. In connection therewith, Ms. Cooper reviewed an Unclaimed Property Report prepared by MA&C with the Board, a copy of which is attached hereto as **Exhibit D**, and stated that the District has \$452.14 in unclaimed funds to escheat to the Comptroller. Ms. Mata then advised the Board that Wheeler has researched the District's tax records, and that there is no unclaimed property to report for the applicable reporting period. Following discussion, Director Pichon moved that MA&C be authorized to file the Unclaimed Property Report with the Comptroller prior to July 1, 2025, and remit said unclaimed property to the Comptroller. Director Vinzant seconded said 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 April 30, 2025, a copy of which is attached hereto as **Exhibit E**. Following review and discussion of the report submitted, it was moved by Director Vinzant, seconded by Director Pichon and unanimously carried, that the Tax Assessor-Collector Report dated as of April 30, 2025, 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. Mr. Wempe presented to and reviewed with the Board an Engineering Report dated May 19, 2025, a copy of which is attached hereto as **Exhibit F**. Following discussion, Director Pichon moved that the Board approve all actions contained in the Engineer's Report, including approval of Pay Estimate No. 1 in the amount of \$129,960.00 from CFG Industries, LLC, in connection with the Water Plant Improvements Project, Phase 1, as recommended by Pape-Dawson. 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 April 2025, a copy of which is attached hereto as **Exhibit G**. Mr. Buckley advised the Board of three (3) excursions at the Wastewater Treatment Plant ("WWTP") during the last month, that Inframark advised the TCEQ as required, and that no further action was needed at this time. In connection with maintenance of the WWTP, Mr. Buckley advised that the weir at the clarifier has rusted and become a safety hazard for Inframark employees and needs to be either repaired or replace. He advised the Board that the estimated cost to repair the weir is \$18,000.00 and the estimated cost to replace the weir is \$50,000.00, and that Inframark recommends repairing the weir at this time. Mr. Buckley next presented two (2) proposals from Edustrial Solutions ("Edustrial") for the cleaning and repainting of fire hydrants within the District using either a (i) mechanical wire brush method at a total cost of \$12,410.00, or (ii) traditional pressure washing method at a total cost of \$5,037.00. Following discussion, on motion by Director Vinzant, seconded by Director Pichon and unanimously carried, the Board (i) authorized Inframark repair the weir at clarifier at a total cost not to exceed \$18,000, subject to approval of the proposal by Director Fitzgerald, and (ii) accepted the proposal from Edustrial for the cleaning and repainting of fire hydrants within the District using the mechanical wire brush method at a total cost of \$12,410.00. The Board concurred that the fire hydrants should be painted dark green color with a white accent color and that Pape-Dawson update the District's Capital Improvement Plan to move the replacement of the weir at the WWTP from 2026 to 2028.

CONSUMER CONFIDENCE REPORT

Mr. Buckley next presented to and reviewed with the Board a copy of the draft Consumer Confidence Report ("CCR"), a copy of which is included in the Operations Report, the format of which is dictated by the TCEQ and the United States Environmental Protection Agency. He advised that the CCR must be provided to all customers of the District and posted to the District's website by July 1 of this year, as required by law. He advised the Board that Inframark can provide the District's CCR to the District's customers (a) by mailing a paper copy of such CCR to each

customer, or (b) in an electronic format by including a direct URL Link included on the next water bill rather than by mail, if the Board so desires. Following discussion, Director Vinzant moved that (i) the CCR be approved, subject to SPH's final review and approval, and (ii) Inframark be authorized as directed to send a copy of the CCR to Classic Messaging for posting on the District's website and to distribute same to the District's customers in an electronic format as described above prior to the July 1 deadline. Director Pichon seconded said motion, which unanimously carried.

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.

AMENDED AND RESTATED THRID AMENDMENT TO INTERIM AND PERMANENT WATER SUPPLY CONTRACT

The Board deferred consideration of an Amended and Restated Third Amendment to Interim and Permanent Water Supply contract between the District and Harris County Municipal Utility District No. 346 at this time.

SECURITY MATTERS

The Board next considered security matters throughout the District. In connection therewith, Ms. Henderson presented to and reviewed with the Board the April 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.

MASS COMMUNICATION MESSAGING SYSTEM AND DISTRICT WEBSITE

The Board next considered the status of communications within the District and the District's website. Following discussion, the Board concurred to add announcements in connection with (i) repainting of fire hydrants, (ii) best practices for disposal of fats, oils and grease by residents, and (iii) the Consumer Confidence Report. Mr. Buckley said he would prepare the announcements for review by Director Pichon and posting on the District's website.

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

presented to and reviewed with the Board a report from the Storm Water Solutions, LLC ("SWS"), the District's Storm Water Management provider, a copy of which is attached hereto as **Exhibit I**. She noted that no action was required of the Board in connection with the SWS report.

The Board next discussed potential membership in the Association of Water Board Directors ("AWBD"). Director Fitzgerald advised that is cost \$750.00 annually to be a member and it offers annual conference and education events for Board members. Following discussion, the Board concurred to further consider membership in the AWBD at the June meeting.

CLOSED SESSION

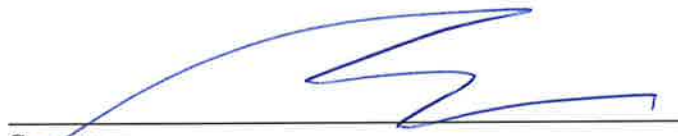
The Board determined it was not necessary to enter into Closed Session.

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 Vinzant and unanimously carried, the meeting was adjourned.



Secretary

SEAL



List of Attachments to
Harris County Municipal Utility District No. 345
Minutes of Meeting of May 19, 2025

- Exhibit A Audit for Fiscal Year Ended January 31, 2024
- Exhibit B Bookkeeper's Report
- Exhibit C Resolution Authorizing Electronic Transfer of Funds for Director Per Diems and
Expense Reimbursements
- Exhibit D Unclaimed Property Report
- Exhibit E Tax Assessor-Collector Report
- Exhibit F Engineer's Report
- Exhibit G Operations Report
- Exhibit H Security Matters
- Exhibit I SWS Report