

## **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 345**

Minutes of Meeting of Board of Directors  
January 19, 2026

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 January 19, 2026, 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 for Directors Wright and Vinzant, thus constituting a quorum.

Also present were Melissa Vasquez of Forvis Mazars, LLP ("Forvis"); 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"); Justin Waggoner of Touchstone District Services, LLC ("Touchstone"); a member of the public attending virtually via Zoom; and Kate Henderson and Charlotte Griffiths of Schwartz, Page and Harding, L.L.P. ("SPH").

The meeting was called to order, and declared 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 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 December 15, 2025. After review and discussion of the December 15, 2025, minutes presented, Director Pichon moved that such minutes be approved, as written. Director Dalton seconded said motion, which unanimously carried.

**ENGAGEMENT OF AUDITOR FOR PREPARATION OF THE DISTRICT'S ANNUAL AUDIT FOR THE FISCAL YEAR ENDING JANUARY 31, 2026**

The Board next considered the engagement of an auditing firm to conduct an audit of the District's financial statements and records for the fiscal year ending January 31, 2026. Ms. Vasquez made a presentation to the Board on behalf of Forvis to provide such auditing services, and advised that Forvis has estimated the fees for preparation of the District's 2026 audit to be \$21,500 plus expenses, and the fees for the audit of the District's Joint Water Plant and Joint Sewage Treatment Plant accounts to be \$3,200 each, plus expenses. After discussion on the matter, Director Fitzgerald moved that (i) Forvis be engaged to conduct the District's audit report for the fiscal year ending January 31, 2026, including the Joint Water Plant and Joint Sewage Treatment Plant accounts, in accordance with Forvis's engagement letter, a copy of which is attached hereto as **Exhibit A**, (ii) the President be authorized to execute Forvis's engagement letter on behalf of the Board and the District, and (iii) SPH be authorized to acknowledge the Texas Ethics Commission Form 1295 ("Form 1295) submitted by Forvis in connection with such engagement letter. Director Pichon seconded said motion, which unanimously carried.

**BOOKKEEPER'S REPORT**

Ms. Cooper presented to and reviewed with the Board a Bookkeeper's Report dated January 19, 2026, 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.

**ADOPTION OF GENERAL OPERATING BUDGET, WASTEWATER TREATMENT PLANT BUDGET, AND JOINT WATER PLANT BUDGET FOR FISCAL YEAR ENDING JANUARY 31, 2027**

Ms. Cooper next presented a proposed operating budget for the District and proposed budgets for the Joint Sewage Treatment Plant and Joint Water Plant for the fiscal year ending January 31, 2027, which are attached hereto as part of **Exhibit B**. Ms. Cooper reviewed the subject budgets in detail with the Board. Ms. Henderson advised of increased election expenses associated with the cost of the District's required purchase of an approved voting machine for use in the May 2, 2026 Directors Election. The Board then discussed increasing the election expenses line item in the operating budget from \$25,000 to \$50,000. Following discussion, it was moved by Director Pichon, seconded by Director Fitzgerald and unanimously carried, that the Board approve the proposed operating budget for the District, as revised, and the proposed operating budgets for the

Joint Sewage Treatment Plant and Joint Water Plant for the fiscal year ending January 31, 2027, as presented.

### **TAX ASSESSOR-COLLECTOR'S REPORT**

Ms. Mata presented to and reviewed with the Board the Tax Assessor-Collector's Report dated as December 31, 2025, a copy of which is attached hereto as **Exhibit C**. Following review and discussion of the report submitted, it was moved by Director Fitzgerald, seconded by Director Dalton and unanimously carried, that the Tax Assessor-Collector Report dated as of December 31, 2025, be approved, and that the disbursements identified therein be authorized for payment from the District's Tax Account.

### **GRANTING OF TAX EXEMPTIONS FOR 2026**

Ms. Henderson outlined for the Board the various tax exemptions available for the District, including the exemptions provided for by Article VIII, Section 1-b of the Texas Constitution, and Section 11.13 of the Texas Tax Code, as amended. She advised that under said provisions, the District may provide for the exemption of up to 20% (but not less than \$5,000, if granted) of the market value of residential homestead improvements for the year 2026, and the District may also exempt residential homesteads of persons who are under a disability for purposes of payment of disability insurance benefits under the Federal Old Age, Survivors and Disability Insurance Act, or its successor, or persons sixty-five years of age or older from ad valorem taxes levied by the District during the calendar year 2026, and, if any such exemptions are granted, they must be for not less than \$3,000 of the market value of such homesteads. Following discussion, Director Fitzgerald moved that the District (a) not grant the residential homestead exemption, and (b) grant an exemption for persons under a disability or sixty-five years of age or older in the amount of \$10,000 from ad valorem taxes levied by the District during the calendar year 2026, and that the Resolution Concerning Exemptions from Taxation, which is attached hereto as **Exhibit D**, be approved and adopted by the Board and the District. Director Dalton seconded said motion, which carried unanimously.

### **DELINQUENT TAX REPORT**

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

### **RESOLUTION AUTHORIZING AN ADDITIONAL PENALTY ON DELINQUENT PERSONAL PROPERTY TAXES**

The Board next considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes, which is attached hereto as **Exhibit E**. Ms. Henderson advised that the Board is authorized pursuant to Section 33.11 of the Texas Tax Code, as amended, to impose, under certain conditions, 60 days after the date the taxes become delinquent, an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due the District on personal property taxes that remain delinquent as of said 60<sup>th</sup> day, as more fully

described in said Resolution. After discussion, it was moved by Director Pichon, seconded by Director Fitzgerald and unanimously carried, that the Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes be passed and approved by the Board, and that PBFCM be authorized to proceed with the collection of the District's 2025 delinquent personal property accounts following delivery of proper notice, as provided in said Resolution, including the filing of lawsuits, as necessary.

### **SPECIAL PURPOSE DISTRICT PUBLIC INFORMATION DATABASE**

Ms. Henderson next informed the Board that, pursuant to provisions of Chapter 403, Texas Government Code, and Chapter 203, Texas Local Government Code, the District is required to annually submit information to the Texas Comptroller of Public Accounts (the "Comptroller") for inclusion in the Special Purpose District Public Information Database no later than April 1<sup>st</sup> of each year. Ms. Henderson recommended that the Board authorize Forvis to prepare and submit the information. After discussion on the matter, it was moved by Director Dalton, seconded by Director Fitzgerald and unanimously carried, that Forvis be authorized to prepare the required information on behalf of the district and submit same to the Comptroller for inclusion in the Special Purpose District Public Information Database no later than April 1, 2026.

### **ENGINEER'S REPORT**

The Board next considered the Engineer's Report. Mr. Wempe presented to and reviewed with the Board an Engineering Report dated January 19, 2026, a copy of which is attached hereto as **Exhibit F**.

Mr. Wempe advised the Board that Pape-Dawson is considering adding an alternate bid for a natural gas generator instead of a diesel generator in connection with the Water Plant Improvements Project and that Pape-Dawson would work with the District's Bookkeeper and Financial Advisor regarding the District's cash flow for same.

Mr. Wempe advised the Board that the completion date for the second water well is still in June or July, but that he had not yet been provided a work timeline from the contractor. Ms. Henderson next reminded the Board of the concerns with CenterPoint Energy's ("CenterPoint") required easement for power to the second water well site and that, while the most direct route is through residential property, Pape-Dawson has requested that the easement be located within and along the access road instead. Mr. Wempe then advised that CenterPoint has proposed the power pole be located on property owned by the Association of Green Trails Phase II Homeowner's Association (the "HOA") and has requested a better depiction of the proposed location. After discussion, the Board requested SPH contact the HOA to advise them of the situation and CenterPoint's proposed location and need for an easement.

Ms. Henderson next presented a Storm Water Management Report from Storm Water Solutions, LLC, dated January 2026, a copy of which is attached hereto as **Exhibit G**. Ms. Henderson noted that no action was required of the Board in connection with same.

## OPERATIONS ADVISORY COMMITTEE REPORT RELATIVE TO JOINT WASTEWATER TREATMENT PLANT

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

### OPERATIONS REPORT

Mr. Buckley presented to and reviewed with the Board the Operations and Maintenance Report ("Operations Report") for the month of December 2025, a copy of which is attached hereto as **Exhibit H**.

The Board discussed the status of implementation of Inframark's new online payment system and communications with customers regarding same. Mr. Buckley proposed that Inframark extend the grace period to customers enrolled in online payments through the next billing cycle in connection with the transition.

Ms. Henderson advised the Board that the resident located at 1007 Chisel Point had reported erosion of the District's extreme overflow swale adjacent to his property. Mr. Buckley noted that Inframark had inspected the swale and did not find erosion. He also noted that he had requested that the area be mowed twice a month going forward. Following discussion, the Board concurred for Inframark to clean up the swale and hydro-mulch the area in the spring, and for Inframark to contact the resident regarding measures being taken by the District to address the concerns.

Following discussion of the Operator's Report, Director Pichon moved that Inframark be authorized to waive any late fees and service terminations to customers enrolled in the online payment program through the end of February. . Director Dalton seconded the motion, which unanimously carried.

### AMENDED AND RESTATED THIRD AMENDMENT TO INTERIM AND PERMANENT WATER SUPPLY CONTRACT (THE "CONTRACT") BETWEEN THE DISTRICT AND NO. 346

The Board next considered the status of the Contract between the District and No. 346. Ms. Henderson advised that the contract is still under revision by No. 346's legal counsel and that she had nothing further to report 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 December 2025 Green Trails Monthly Reports and Harris County Constable Precinct 5 Beat Activity Reports, copies of which are attached hereto as **Exhibit I**. 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. Director Pichon provided a brief update regarding various matters relative to communications within the District. Following discussion, the Board concurred to post the year-end summary, as discussed, to the District's website.

Ms. Vasquez 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.

## **RENEWAL OF INSURANCE COVERAGES**

Ms. Henderson addressed the Board concerning the solicitation of proposals in connection with the renewal of the District's insurance coverages that expire on March 31, 2026. She advised the Board that the District's current insurance broker is Brown & Brown Insurance ("Brown"). Ms. Henderson further advised the Board that other insurance companies provide such policies to water districts and then inquired as to whether the Board wished to solicit proposals for insurance from other companies for review prior to the expiration of the current policies. Following discussion, Director Dalton moved that SPH be authorized to obtain a renewal proposal from the District's current insurance broker, Brown, for the Board's consideration at next month's Board meeting. Director Fitzgerald seconded the motion, which carried unanimously.

## **MATTERS RELATED TO MAY 2, 2026 DIRECTORS ELECTION**

Ms. Henderson reported on issues related to the District's Directors Election (the "Election") to be held on May 2, 2026. In connection therewith, Ms. Henderson presented to and discussed with the Board a memorandum prepared by SPH, a copy of which is attached hereto as **Exhibit J**. Ms. Henderson advised that Harris County will not offer joint election services to political subdivisions for the May 2, 2026 election, and therefore, the District will have to hold an independent election. She further discussed the challenges of administrating an independent election.

## **ACCESSIBLE VOTING SYSTEM**

Ms. Henderson noted that Section 49.111, Texas Water Code, provides an exemption from the requirement to provide certain electronic voting systems at the Election if the District's previous directors election was canceled as uncontested or if fewer than 250 voters voted in the District's previous directors election. She advised that the District does not qualify for said exemption and will therefore have to provide an accessible voting system at the District's polling location. Following discussion, it was moved by Director Dalton, seconded by Director Fitzgerald

and unanimously carried, that SPH be authorized to obtain a proposal and contract from Election Systems & Software for a voting machine and related services, including programming, training, and testing for presentation at the Board's next meeting.

### **SUPPLEMENTAL AGENDA**

The Board considered calling the Election in accordance with the requirements of the Texas Water Code. In connection therewith, Ms. Henderson presented the Order Calling Directors Election (the "Order") attached hereto as **Exhibit K** calling the Election to be held on May 2, 2026. It was noted that the terms of office of Directors Dalton and Vinzant expire in May of this year. In reviewing the Order with the Board, Ms. Henderson advised that the Texas Water Code and the Texas Election Code authorize the Board to designate an agent to perform certain duties in connection with the Election, and that the Order named Charlotte Ann Marie Griffiths as such agent (the "Election Agent"). Ms. Henderson further advised the Board that notice of the Election must be given in accordance with the requirements of the Texas Election Code. Ms. Henderson advised the Board that notice of the Election could be given by one or more of the following methods: (i) publishing the notice in a newspaper published in the territory of the District or of general circulation in the District at least ten (10) days before the election, but not more than thirty (30) days before the election; (ii) posting the notice at a public place in each election precinct that overlaps the District at least twenty-one (21) days before the election; or (iii) mailing the notice to each registered voter in the District at least ten (10) days before the election. She further advised that, in addition to the above, notice must be posted on the District's website at least twenty-one (21) days before the election. Following discussion of the options, the Board concurred that notice of the Election be given by posting same at a public place in each election precinct that overlaps the District and on the District's website. After discussion on the matter, Director Pichon moved that said Order be passed and adopted, that the President and Secretary be authorized to execute the Order, and that the Election Agent be authorized and directed to make necessary arrangements for the Election in accordance with the Order. Director Dalton seconded said motion, which unanimously carried. Ms. Henderson advised the Board that if each candidate whose name is to appear on the ballot is unopposed as of 5:00 p.m. on February 20, 2026, the Board may thereafter cancel the Election in accordance with the Texas Election Code.

The Board next considered the establishment of fees to be paid to officials for the Election. Ms. Henderson advised the Board that in accordance with the Texas Election Code, the rate of pay for judges and clerks shall be determined by the Board, but shall not be less than the federal minimum wage rate. After discussion on the matter, Director Pichon moved that the judges and clerks for the Election, including early voting clerks, be paid \$25.00 per hour. Director Dalton seconded said motion, which unanimously carried.

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

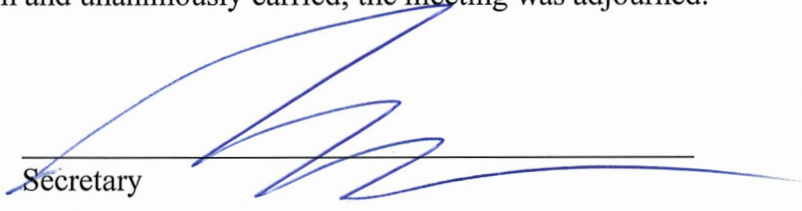
**FUTURE AGENDA ITEMS**

The Board next considered matters to be placed on future agendas. No additional agenda items, other than routine and ongoing matters, were requested.

**ADJOURNMENT**

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

Secretary



SEAL



List of Attachments to  
Harris County Municipal Utility District No. 345  
Minutes of Meeting of January 19, 2026

- Exhibit A Auditor's Engagement Letter
- Exhibit B Bookkeeper's Report
- Exhibit C Tax Assessor-Collector Report
- Exhibit D Resolution Concerning Exemptions from Taxation
- Exhibit E Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes
- Exhibit F Engineer's Report
- Exhibit G Storm Water Management Report
- Exhibit H Operations Report
- Exhibit I Security Matters
- Exhibit J Memorandum regarding Independent Elections
- Exhibit K Order Calling Directors Election