

LONGHORN TOWN UTILITY DISTRICT OF HARRIS COUNTY, TEXAS

Minutes of Meeting of Board of Directors

August 4, 2022

The Board of Directors (the "Board") of Longhorn Town Utility District of Harris County, Texas (the "District") met in regular session, open to the public on August 4, 2022, in accordance with the duly posted Notice of Public Meeting, and the roll was called of the duly constituted officers and members of the Board, as follows:

Steven Crain, President
H. Don Henry, Vice President
Julie Swearingen, Secretary
Barry Hunsworth, Assistant Secretary
Chris White, Assistant Secretary

all of whom were present at the meeting, except Director Henry, whom entered later as noted herein, thus constituting a quorum.

Also present were: Rene Andel of Wheeler & Associates, Inc. ("Wheeler"); Megan Fischer of Sales Revenue, Inc. ("SRI"); Michelle Giacona and Brenda Landin of H2O Innovation ("H2O"); Cory Burton and Roman Khoja of Municipal Accounts & Consulting, L.P. ("MAC"); Todd Elston and Duncan Flintoff of R.G. Miller Engineers, Inc. ("R.G. Miller"); Sharon Henry, a member of the public, whom entered later as noted herein; and Katie Blasio and Kristi Tran-Chin of Schwartz, Page & 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 COMMENT

The Board began by opening the meeting for public comments. There being no members of the public present, the Board continued to the next item of business.

APPROVAL OF MINUTES OF MEETING

The Board considered approval of the minutes of its meeting held on July 7, 2022. After review and discussion of the minutes presented, Director Crain moved that the minutes of the Board meeting held on July 7, 2022, be approved, as written. Director Hunsworth seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Mr. Khoja presented to and reviewed with the Board the bookkeeper's report dated August 4, 2022, a copy of which report is attached hereto as **Exhibit A**, including the checks therein for payment from the District's various accounts. After discussion, it was moved by Director Crain

that the Board approve the bookkeeper's report, and authorize payment of the checks identified therein. Director Hunsworth seconded said motion, which unanimously carried.

Mr. Khoja next presented to and reviewed with the Board the District's Quarterly Investment Inventory Report for the period ended June 30, 2022, a copy of which is attached to the bookkeeper's report. After discussion, it was moved by Director Crain, seconded by Director Hunsworth, and unanimously carried that the Quarterly Investment Inventory Report for the period ended June 30, 2022, as prepared by MAC, be approved and that the District's Investment Officer be authorized to execute same on behalf of the Board and the District.

BOOKING PROPOSALS

The Board deferred consideration of the bookkeeping proposals that have been received until the end of the meeting.

THIRD AMENDED AND RESTATED AGREEMENT FOR BOOKKEEPING SERVICES BETWEEN THE DISTRICT AND MUNICIPAL ACCOUNTS & CONSULTING, L.P

The Board deferred consideration of the Third Amended and Restated Agreement for Bookkeeping Services with MAC until the end of the meeting.

TAX ASSESSOR-COLLECTOR REPORT

Ms. Anel presented to and reviewed with the Board the July 2022 Tax Assessor-Collector report, including the delinquent collections listings, a copy of which is attached hereto as **Exhibit B**. She noted that Wheeler is expecting certified rolls from Harris County Appraisal District by next month's meeting. After discussion, Director Crain moved that the Tax Assessor-Collector report be approved as presented, and payment be authorized as identified in said report. Director Henry seconded the motion, which carried unanimously.

Ms. Anel next requested that next month the Board consider authorizing Wheeler to transfer the District's lockbox tax account from Allegiance Bank to Frost Bank and briefly discussed same with the Board. She requested that an item be added to the next agenda to consider authorizing Wheeler to transfer the District's lockbox tax account from Allegiance Bank to Frost Bank.

Ms. Fischer next presented to and reviewed with the Board the July 2022 Sales and Use Tax Administration Report, prepared by Sales Revenue Inc., a copy of said report is attached hereto as **Exhibit C**, in connection with collection of sales tax revenue funds received by the District pursuant to the Strategic Partnership Agreement with the City of Houston. No action was required by the Board regarding same.

Director Henry and Ms. Henry entered the meeting during the above discussion.

2022 TAX RATE RECOMMENDATION

The Board deferred consideration of 2022 Tax Rate recommendation at this time.

REPORT AND LEGAL ACTION TAKEN BY THE DISTRICT'S DELINQUENT TAX COLLECTIONS ATTORNEY

The Board deferred consideration of a report and legal action taken by the District's delinquent tax collections attorneys, Perdue, Brandon, Fielder, Collins & Mott, L.L.P. It was noted that the reports are provided on a quarterly basis, and the next report will be due in September.

OPERATIONS REPORT

Ms. Giacona presented to and reviewed with the Board the operations report, dated August 4, 2022, a copy of which report is attached hereto as **Exhibit D**, and discussed with the Board the matters contained therein. She noted that the District's water accountability for the reporting period was approximately 93.95%.

Ms. Giacona noted that one customer requested a three-month payment plan due to a high water bill in the amount of approximately \$355 due to a toilet leak, which has been repaired. After discussion, Director Crain moved that the District approve the three (3) month payment plan, as requested. Director Hunsworth seconded the motion, which unanimously carried.

ENGINEERING REPORT

Mr. Elston introduced Mr. Flintoff to the Board. Mr. Flintoff then presented to and reviewed with the Board a proposal for necessary system upgrades (utility network migration) to the District's Geographical Information System ("GIS"), a copy of which is attached hereto as **Exhibit E**, for a one-time fee of \$12,000. He then responded to various questions from the Board regarding same. It was noted that there are no other additional fees other than what the District is currently paying annually. After further discussion on the matter, upon motion by Director Crain, seconded by Director Hunsworth and unanimously carried, the Board approve RG Miller's proposal for system upgrades to the District's GIS at a one-time fee of \$12,000.

STORM WATER SOLUTIONS, LLC REPORT

Ms. Blasio presented to and reviewed with the Board a Storm Water Management Program dated August 2022, prepared by Storm Water Solutions ("SWS"), a copy of which is attached hereto as **Exhibit F**. It was noted that there were some overhanging trees within the District that need maintenance. In connection therewith, the Board requested that SPH request a proposal for tree maintenance, including trimming and pruning, from SWS for the Board's consideration at its next meeting.

ISSUANCE OF UTILITY COMMITMENTS

The Board deferred action regarding utility commitments as no additional requests were made this month.

SIDEWALK PROJECT BY HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 346

Mr. Elston advised that there was no update from the U.S. Army Corps of Engineers regarding the sidewalk project and no specific Board action was required at this time with respect to same.

NEIGHBORHOOD IMPROVEMENT PROJECTS IN THE DISTRICT

The Board deferred consideration of neighborhood improvement projects within the District at this time.

ATTORNEY'S REPORT

The Board next considered the attorney's report. Ms. Blasio presented correspondence received from the Texas Rural Water Association regarding membership, a copy of which is attached hereto as **Exhibit G**. The Board noted it was not interested in said membership at this time.

ITEMS FOR PLACEMENT ON FUTURE AGENDA

The Board considered items for placement on future agenda. No other specific agenda items other than routine and ongoing matters, were requested.

Ms. Andel, Ms. Fischer, Ms. Giacona, Ms. Landin and Messrs. Elston and Flintoff exited the meeting at this time.

THIRD AMENDED AND RESTATED AGREEMENT FOR BOOKKEEPING SERVICES BETWEEN THE DISTRICT AND MUNICIPAL ACCOUNTS & CONSULTING, L.P

Mr. Burton presented to and reviewed with the Board the Third Amended and Restated Agreement for Bookkeeping Services with MAC, a copy of which is attached hereto as **Exhibit H**. Mr. Burton answered questions from the Board regarding same. After discussion, the Board deferred taking action regarding same at this time.

Messrs. Burton and Khoja exited the meeting at this time.

BOOKING PROPOSALS

Ms. Blasio next presented and reviewed with the Board proposals for bookkeeping services submitted by L&S District Services ("L&S"), Forvis ("Forvis"), and Artesian Financial Services, LLC ("Artesian"), copies of such proposals are attached hereto as **Exhibit I**. She noted that Myrtle Cruz declined to submit a proposal at this time. After discussion on the matter, the Board deferred taking any action regarding same at this time.

ADJOURN

There being no further business to come before the Board, upon a motion made by Director Crain and seconded by Director Henry, the meeting was adjourned.



Julie Swartz
Secretary
Board of Directors

LIST OF ATTACHMENTS TO MINUTES

- Exhibit A Bookkeeper's Report
- Exhibit B Tax Assessor-Collector Report
- Exhibit C July 2022 Sales and Use Tax Administration Report
- Exhibit D Operations Report
- Exhibit E Proposal for Geographical Information System system upgrade
- Exhibit F Storm Water Management Program dated August 2022
- Exhibit G Correspondence from Texas Rural Water Association
- Exhibit H Third Amended and Restated Agreement for Bookkeeping Services with Municipal Accounts & Consulting, L.P.
- Exhibit I Proposals from L&S District Services, Forvis, and Artesian Financial Services, LLC

640238.1