

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 304
Minutes of Meeting of Board of Directors
June 10, 2024

The Board of Directors (the “Board”) of Harris County Municipal Utility District No. 304 (the “District”) held their special meeting in accordance with the duly posted notice of meeting and the Texas Open Meetings Act. The roll was called of the duly constituted officers and members of said Board, as follows:

Larry Gene Allen Sr.	-	President
LaFrances Moses	-	Vice President
Geri Scott	-	Secretary
Sharon Mayo	-	Assistant Secretary
Michael Garrett	-	Director

All of said persons were present, thus constituting a quorum.

Also present were Frank Mitchell and Daniel Scruggs, of Mitchell, Zientek & Scruggs, LLP (“MZSLLP”); Nannette Ray and Terrance Ray, representatives of TNR Advisors & Management Consultants, LLC (the “TNR”); and various residents, as noted on the sign-in sheet attached hereto as **Exhibit “A”**.

PUBLIC COMMENTS

Director Allen introduced himself and the new members of the Board to the public. He noted the District’s public comment policy before opening up the meeting for public comments. Ms. Kelly presented comments requesting virtual meeting attendance options for District residents and for the District to continue focusing on the water quality and deliverability. Ms. Cawthorne then discussed the senior program that often used the District’s Administrative Building.

MOSQUITO CONTROL PROPOSALS

Director Garrett noted that although the Board had received one proposal they were still waiting on a number of other possible vendors to reply. The item was deferred until a future meeting.

BOOKKEEPER REPORT

Mrs. Ray presented the Bookkeeper Report, a copy of which is attached hereto as **Exhibit B**. She then discussed compensation for an election official. Ms. Cawthorne noted that she had submitted 33 hours in relation to her role as an election official for the District’s May Directors Election. After brief discussion, Director Moses moved to approve the payment of 33 hours at the previously set hourly rate for election officials to Ms. Cawthorne as represented on her timesheet. Director Allen seconded said motion, which passed unanimously.

There was then discussion related to an outstanding invoice provided by the District’s prior bookkeeper. Director Moses noted that the check for that invoice should be released as there was no adequate reason to continue to withhold payment. After further discussion, Director Moses

motioned, seconded by Director Allen, to release the check to the District's prior bookkeeper in accordance with her last provided invoice. The motion carried unanimously.

Mr. Mitchell then explained the surplus property procedure and the de minimis exception. It was noted that the District would need to review its property to determine if there was any surplus property that needed to be addressed.

Lastly, the Board reviewed purchasing procedures, specifically related to director items such as director electronic devices. Director Mayo inquired as to the typical procedures other municipal utility districts use. After discussion, the Board requested that MZSLLP and TNR review purchasing options and related District policies.

REVIEW OF DISTRICT POLICIES

The Board and Mr. Mitchell reviewed the District's Code of Ethics and Travel Policy. Mr. Mitchell noted some of the policy specifics as it related to the Association of Water Board Directors ("AWBD") conferences. Mr. Mitchell and Mrs. Ray noted concerns regarding the policy's lack of requirement for receipts for director reimbursements. The Board, Mr. Mitchell, and Mrs. Ray concurred that changes should be made in the near future to the reimbursement procedures. Director Moses noted her concerns with prior reimbursement practices. The Board had lengthy discussions regarding options between reimbursements and advances for AWBD conference expenses. After discussion, Director Mayo moved to approve 4 full days of advances, if requested by a director, at the maximum rate within the policy. Director Scott seconded said motion which passed three to two (3-2) with Directors Moses and Allen opposing the motion.

Next the Board reviewed the Computer Usage Policy. The Board discussed the status of director devices, noting which vendors were holding the prior director devices. After lengthy discussion regarding the age and effectiveness of the devices, Director Garrett moved to authorize the purchase of computers for each director who needed one at a cost of no greater than \$1000 each. Director Scott seconded said motion, which passed unanimously.

DISTRICT CONSULTANT CONTRACTS

Mr. Mitchell noted that the Board would be reviewing portions of proposed security services and their corresponding agreements in executive session later in the meeting. The Board took no action at this time.

CENTRAL HARRIS COUNTY REGIONAL WATER AUTHORITY ("CHCRWA") REIMBURSEMENT

Mr. Mitchell explained the previously approved reimbursement agreement with CHCRWA and the corresponding reimbursement. He asked for clarity that the Board consider adopting a revised resolution and re-approving the reimbursement agreement and corresponding reimbursement amount. After brief discussion, Director Moses moved to approve the amended resolution for the CHCRWA reimbursement agreement and the corresponding reimbursement amount. Director Garrett seconded said motion, which passed unanimously.

DISTRICT LIAISON LIST

Mr. Mitchell reviewed the provided liaison list with the Board, noting the possibility of changes if the Board requested such. Director Scott noted she wished to be a liaison on a number of committee's, including Security, Administration Building, and Neighboring Districts. Director Mayo offered to relinquish her liaison position on the Administration Building committee to Director Scott. Director Moses offered to relinquish her liaison position on the Neighboring Districts committee. After lengthy discussions, Director Garrett motioned to appoint Directors Scott and Garrett to the Security committee. Director Scott seconded the motion, which passed 4 -1 with Director Moses opposing the motion. Director Moses moved to appoint Directors Moses and Scott to the Accounting, Tax, and Finance committee. The motion was seconded by Director Allen, but failed to pass with a 2 - 3 vote, with Directors Garrett, Mayo, and Scott opposing the motion. After a summary of the liaison list updated with Directors Scott's additions and the revisions to the Security committee, Director Moses moved to accept the liaison list as amended. Director Allen seconded the motion, which passed unanimously.

ATTORNEY REPORT

Mr. Mitchell and Mr. Scruggs provided an update on the transition from the District's previous legal counsel. Mr. Mitchell then discussed records management practices and options. He discussed the options available to the Board regarding electronic record keeping.

Next the Board discussed the Senior Citizen Program. Mr. Blow discussed the program and noted some of the specifics, such as the program's status as a 501(c)(3) organization. After lengthy discussion, particularly between Director Allen and Mr. Blow, Director Garrett moved to approve the Senior Citizen Program continuing to use the District's Administrative Building at no charge. Director Scott seconded said motion, which passed four to one (4 - 1) with Director Allen opposing the motion. The Board and Mr. Mitchell discussed various building management practices and the building usage agreement.

EXECUTIVE SESSION AND RECONVENE

The Board entered executive session at 7:42pm for discussion of security matters and consultation with the attorney. The Board reconvened in open session at 8:23pm. Director Moses made a motion to end any proposed employee reprimand or policy changes at this time. Director Allen seconded said motion, which passed unanimously. Director Garrett then moved to authorize MZSLLP to request an interlocal law enforcement contract with the Harris County Sheriff Department. Director Allen seconded said motion, which passed unanimously.

PENDING BUSINESS

The Board discussed the possibilities for a generator at the administrative building and odor control options for the lift station(s) and wastewater treatment plant.

Approved this 15th day of August 2024.

/s/Geri Scott
Secretary, Board of Directors



Exhibit A - District Sign in Sheet

Exhibit B - Bookkeeping Report

Exhibit C - Liaison - Committee List