

MINUTES OF SPECIAL MEETING
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 11
HARRIS COUNTY, TEXAS

16 November 2021

THE STATE OF TEXAS §
COUNTY OF HARRIS §

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 11 (the "District") met in special session, open to the public at 5:00 p.m. on the 16th day of November 2021 at the offices of Coats Rose, P.C., 9 Greenway Plaza, Suite 1000, Houston, Texas 77046, outside the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Kenneth D. Vasina	President/Investment Officer
Cynthia Ann Cruz	Vice President
Tammy B. Rose	Secretary/Treasurer
Marvin L. Zahradnik	Assistant Secretary/Treasurer
[Vacant]	Assistant Vice President

and all of said persons were present, thus constituting a quorum.

Also present were Hala Abdo, P.E., of A&S Engineers, Inc. ("A&S"), the District's Engineer; Dennis Wright of Water District Management Company, Inc. ("WDM"), the District's Operator; Jared Welsh representing Masterson Advisors, LLC ("Masterson"), the District's Financial Advisor; Dick Yale, Christopher Hsu, and David Green of Coats Rose, P.C., the District's Attorney; JoAnn Vasina; and Leroy Rose, residents of the District. Attending the meeting by teleconference was Claudia Redden of Claudia Redden & Associates, Inc., the District's Bookkeeper.

Director Vasina called the meeting to order.

Approval of Minutes

The Board first considered approval of the minutes of the meetings of 20 October 2021 and 3 November 2021. Director Zahradnik requested a revision to page 4 of the minutes of 3 November 2021. After discussion, upon a motion duly made by Director Rose and seconded by Director Zahradnik, the Board voted unanimously to approve the minutes of the meeting of 20 October 2021 as written and the minutes of the meeting of 3 November 2021 as amended.

Series 2021 Refunding Bonds

The Board discussed matters pertaining to the District's Series 2021 Refunding Bonds (the "Refunding Bonds"). Mr. Welsh informed the Board that the sale of the

Refunding Bonds took place on 9 November 2021. He reported that the sale of the Refunding Bonds had attained a present value savings of 8.03% (\$216,780.04) and a total gross savings of \$286,344.58. Attached hereto as an exhibit to these minutes is a copy of the Summary of the Series 2021 Refunding Bonds as prepared by Masterson.

Mr. Yale reported the District's Attorney had forwarded the Transcript of Proceedings for the Refunding Bonds to the Texas Attorney General for review on 11 November 2021. He remarked that the District's Attorney was preparing documents relating to the closing of the sale of the Refunding Bonds (the "Closing") that would need to be executed by Directors Vasina and Rose. He noted that the Closing was scheduled to take place on Tuesday, 14 December 2021.

Bookkeeper's Report

Ms. Redden presented the Bookkeeper's Report for the Board's consideration. She commented on the income to the District, summarized the activity in each of the District's accounts, and listed the balance in each account. Ms. Redden discussed the District's investment information with the Board and reviewed the District's Investment Report, as included in the Bookkeeper's Report. She noted that TexPool had paid an average interest rate of 0.0354% per annum for the reporting period.

Ms. Redden discussed with the Board the groundwater pumpage fee (the "Pumpage Fee") being charged to the District by the City of Houston (the "City") pursuant to the Water Supply and Groundwater Reduction Plan Wholesale Agreement between the District and the City. She informed the Board that the District was currently being charged a Pumpage Fee equal to \$3.35 per 1,000 gallons of water.

The Board then completed the review of the invoices to the District and the checks prepared in payment thereof. After further discussion, upon a motion duly made by Director Rose and seconded by Director Zahradnik, the Board voted unanimously to: (1) accept the Bookkeeper's Report; (2) authorize the payment of the District's bills; and (3) approve the Investment Report. A copy of the District's Bookkeeper's Report is attached hereto as an exhibit to these minutes.

Operating Budget for Fiscal Year ending 31 December 2022

Director Vasina then reviewed with the Board the proposed Operating Budget for the fiscal year ending 31 December 2022. Mr. Yale noted that the Board could amend the Operating Budget as needed following review by the District's Bookkeeper. After discussion, upon a motion made by Director Zahradnik and seconded by Director Cruz, the Board voted unanimously to adopt the Operating Budget for the fiscal year ending 31 December 2022. A copy of the Operating Budget thus adopted is attached hereto.

Engineer's Report

Then Ms. Abdo presented the Engineer's Report, a copy of which is attached hereto as an exhibit.

Rehabilitation of Sanitary Sewer Lines in Woodgate Subdivision, Sections 1 and 2 (the "Sewer Repairs"). Ms. Abdo reported on the status of the contract with King Solution Services LLC ("KSS") for the Sewer Repairs. She stated that KSS was working to repair the sag on the sanitary sewer line located between manholes Nos. 14 and 61 via the open-cut method. Once that work is completed, she continued, KSS will address the remaining issues that were discussed at the Board's meeting on 3 November 2021.

Ms. Abdo then reported that KSS had submitted Pay Estimate No. 2 in the amount of \$48,296.70 in connection with the Sewer Repairs. A copy of Pay Estimate No. 2 is included with the Engineer's Report.

Request for Service / Used Car Lot on Veterans Memorial Drive. Ms. Abdo reported that the District's Engineer and Operator had reviewed the plans for a mobile office to be located on the used car lot at 10495 Veterans Memorial Drive (the "Mobile Office"), including the plans for the proposed screen chain link perimeter fence (the "Fence"). She called the Board's attention to a photograph of a screened chain link fence of the type being proposed for the Fence. A copy of the photograph is included with the Engineer's Report. Director Zahradnik expressed his desire to review the plans for the Mobile Office and Fence before the District's Engineer issues the "no objection" letter to the applicant.

Emergency Preparedness Plan (the "EPP"). Ms. Abdo reported on the preparation of the revised EPP pursuant to the 28 May 2021 Affected Utility Compliance letter from the Texas Commission on Environmental Quality (the "Commission"). She stated that A&S would submit the revised EPP to the Commission prior to the next meeting of the Board.

Emergency Response Plan (the "ERP"). Ms. Abdo reported on the status of the ERP to be certified to the U.S. Environmental Protection Agency (the "EPA") by 28 December 2021 pursuant to the requirements of the America's Water Infrastructure Act. She stated that A&S would notify the Board when certification of the ERP is provided to the EPA.

Inspection of Ground Storage Tank (the "GST"). Ms. Abdo informed the Board that the District's Engineer and Operator are coordinating to schedule the 5-year full inspection of the GST at Water Plant No. 1 (the "GST Inspection"). Mr. Wright noted that the GST Inspection would take place sometime after the Thanksgiving holiday.

Water Supply and Groundwater Reduction Plan Wholesale Agreement (the "GRP Agreement"). The Board discussed matters relating to the GRP Agreement dated 5 March 2003 between the District and the City. Ms. Abdo reported that A&S is awaiting

a response from the City's engineer regarding the status of the City's surface water transmission line and the projected schedule for the District to receive surface water from the City.

Central Harris County Regional Water Authority (the "CHCRWA"). Ms. Abdo reported that the District's Engineer and Operator are reviewing the plans submitted by the Central Harris County Regional Water Authority (the "CHCRWA") in connection with the CHCRWA's project to provide surface water to Harris County Municipal Utility District No. 33 and Fallbrook Utility District. She added that A&S is compiling the drawings requested by the CHCRWA and has requested a meeting to discuss the CHCRWA surface water transmission line project.

Memorial Plaques for Former Directors (the "Plaques"). The Board discussed matters relating to the Plaques honoring former Directors Marjorie Guillory and Billy D. Taylor to be installed in the retaining wall on the southwest corner of the intersection of Woodsdale Boulevard and Woodington Drive. Ms. Abdo reviewed with the Board examples of the layout and content of the Plaques. She noted that the dimensions of the Plaques would be 8-inches-by-20-inches. Director Zahradnik asked the District's Engineer and Attorney to ensure that former Director Taylor's name was accurately rendered on his plaque as "Billy D. Taylor" rather than "Bill Taylor."

Request for Service / Taco Bell Restaurant. Ms. Abdo reported on the request for service from the new Taco Bell restaurant located on Veterans Memorial Boulevard north of Aldine Western Road (the "Restaurant"). She stated that architect for the Restaurant, Carl P. Blum AA Architect (called "Blum"), had requested a letter from the District's Engineer confirming that the District has adequate water supply and wastewater treatment capacity to serve the Restaurant (the "Will Serve Letter"). Mr. Yale remarked that prior to the District providing water and sewer service to the Restaurant, the District's Engineer would need to ensure that development of the Restaurant tract would not adversely affect stormwater drainage in the District. A discussion ensued regarding stormwater drainage in certain subdivisions in the District. The Board directed the District's Engineer to confirm that the stormwater outfalls at the Restaurant were sufficient.

Traffic Issues in Woodgate Subdivision, Section 3 ("Section 3"). The Board briefly discussed matters relating to traffic issues in Section 3. Ms. Abdo reported that the District's Engineer had not yet contacted Harris County about the possibility of a traffic light being placed at the intersection of Veterans Memorial Drive and Marshwood Road.

After discussion, upon a motion duly made by Director Zahradnik and seconded by Director Cruz, the Board voted unanimously to (1) accept the Engineer's Report; (2) authorize payment of Pay Estimate No. 2 to KSS; and (3) authorize the District's Engineer to transmit the Will Serve Letter for the Taco Bell restaurant to Blum after reviewing the drainage plans for the Restaurant.

Operator's Report

Mr. Wright presented the Operator's Report, a copy of which is attached hereto as an exhibit to these minutes. Mr. Wright stated that the total water accountability rate for the District's wells was 93.7% for the month of October 2021. He noted that the results of the bacteriological tests performed on samples of the District's water indicated that no coliform organisms were present. Also reviewed was the Arsenic Analysis Report, a copy of which is included with the Operator's Report. Mr. Wright then reported that the District's Wastewater Treatment Plant (the "Plant") treated an average flow of 249,000 gallons per day during the month, representing a flow equal to 49.8% of the design capacity for the Plant.

Items Needing Repair or Replacement. Mr. Wright reviewed the status of the improvements, repairs, and items needing attention at the Water Plants and Wastewater Treatment Plant to be handled by the District's Operator (the "Improvements") as listed in the Facility Evaluation Report presented at the Board's meeting on 3 November 2021. He reported that the District's Operator had completed several of the smaller Improvements. Mr. Wright then informed the Board that (1) repairing the eyewash station at the Plant (the "Eyewash Station") would cost \$724; (2) installing the fall protection system at the T.C. Jester Lift Station (the "Protection System") would cost \$3,028.

After discussion, upon a motion duly made by Director Cruz and seconded by Director Rose, the Board voted unanimously to authorize the District's Operator to proceed with repairing the Eyewash Station and installing the Protection System.

Morewood Lift Station. Mr. Wright then discussed with the Board the proposed construction of a driveway from the entrance of the Morewood Lift Station site to the wet well (the "Driveway"). He estimated the cost for to construct a concrete Driveway at approximately \$28,000. Mr. Wright remarked that a less expensive option would be to construct an apron with a gravel Driveway. The Directors deferred further discussion on this matter to a future meeting of the Board.

Proposed Automated Mass Notification System. Mr. Wright discussed with the Board the possibility of using an automated mass notification system (the "Notification System") for providing information to the District's customers by electronic mail, SMS text messages, or automated telephone calls. He stated that Blackboard, Inc. could provide the Notification System at an annual cost of \$3,200 plus \$1,000 for the initial set-up. The Directors agreed to consider the Notification System at a future meeting of the Board.

After further discussion, upon a motion duly made by Director Rose and seconded by Director Zahradnik, the Board voted unanimously to accept the Operator's Report.

Termination of Service

Consideration was then given to the termination of water and sewer service to certain delinquent accounts. The President recognized Mr. Wright, who advised the Board that the requisite notifications had been given to each customer and that each customer was advised of the date, time, and place of the Board meeting which they could attend to discuss termination of service. The Board noted that there were no customers present to protest the utility billings. After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize the Operator to terminate the water and sewer service to those accounts listed on the termination list.

Security Patrol Report

Director Zahradnik reviewed with the Board the Security Patrol Report for the month of October 2021 as prepared by the Harris County Sheriff's Office (the "Sheriff's Office"). A copy of the Security Patrol Report is attached hereto as an exhibit to these minutes. Director Zahradnik reported that he discussed with Deputy Francisco Avila of the Sheriff's Office the ongoing issue with abandoned and non-operational vehicles being parked in the residential areas of the District. The Board asked Director Zahradnik to ask Deputy Avila if his contact information could be given to Director Rose so that she could notify Deputy Avila regarding abandoned and non-operational vehicles.

Attorney's Report

Mr. Yale stated that there were no additional items to be discussed under the Attorneys Report.

There being no further business to come before the Board, the meeting was adjourned.

Secretary, Board of Directors

SEAL

Harris County Municipal Utility District No. 11
Meeting of 16 November 2021
Attachments

1. Summary of the Series 2021 Refunding Bonds;
2. Bookkeeper's Report;
3. Operating Budget for FYE 12/31/2022;
4. Engineer's Report;
5. Operator's Report; and
6. Security Patrol Report.