

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

5 January 2022

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 regular session, open to the public at 5:00 p.m. on the 5th day of January 2022 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 Robin Goin of Bob Leared Interests ("Leared"), the District's Tax Assessor/Collector; Troy Bordelon, 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; Dick Yale, Christopher Hsu, and David Green of Coats Rose, P.C., the District's Attorney; JoAnn Vasina, an interested party; and Leroy Rose, a resident of the District. Attending the meeting by teleconference was Mark Eyring of Mark C. Eyring, CPA, PLLC, the District's Auditor.

Director Vasina called the meeting to order.

Engage Auditor

First, Mr. Eyring submitted to and reviewed with the Board a Proposal for preparation of the District's annual financial reports for the fiscal years ending 31 December 2021 and 31 December 2022 (the "Reports"). The Board noted that under the Proposal, the estimated cost to the District for the preparation of each Report would be \$10,950 for a combined total of \$21,900. After discussion, upon a motion duly made and seconded, the Board voted unanimously to: (1) accept the Proposal and (2) authorize Director Vasina to execute the engagement letter dated 5 January 2022 between the District and Mark C. Eyring, CPA, PLLC. A copy of the engagement letter is attached hereto and shall be considered to be part of these minutes.

Tax Assessor/Collector's Report

Ms. Goin presented the Tax Assessor/Collector's Report for the Board's consideration. She reported that the District's 2021 tax levy was 55.2% collected as of 31 December 2021. She asked for the Board's approval of five checks written on the District's tax account and two wire transfers as follows: the transfer of \$266,114.70 in revenues from the District's tax for maintenance and operations to the General Fund and the transfer for \$415,000 to the Debt Service Fund. Ms. Goin then called the Board's attention to the list of Top Delinquent Taxpayers, a copy of which is included in the Tax Assessor/Collector's Report.

After discussion, upon a motion duly made by Director Rose and seconded by Director Cruz, the Board voted unanimously to: (1) accept the Tax Assessor/Collector's Report; and (2) authorize the disbursements from the District's Tax Account as listed therein. A copy of the Tax Assessor/Collector's Report is attached hereto as an exhibit to these minutes.

Engineer's Report

Next, Mr. Bordelon 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"). Mr. Bordelon reported on the status of the contract with King Solution Services LLC ("KSS") for the Sewer Repairs. He stated that the contractor surveyed sanitary sewer manholes Nos. 8, 61, 3 and 5 and found no issues with the manholes that would cause the surcharge in certain sanitary sewer line segments. Mr. Bordelon then reported that KSS had submitted Pay Estimate No. 4 in the amount of \$101,734.20 in connection with the Sewer Repairs project. A copy of Pay Estimate No. 4 is included with the Engineer's Report.

Request for Service / Taco Bell Restaurant. Mr. Bordelon reported on the request for service from the new Taco Bell restaurant located on Veterans Memorial Boulevard north of Aldine Western Road (the "Restaurant"). He stated that the District's Engineer had reviewed the plans for the Restaurant and had issued a comment letter to the applicant.

Request for Service / Texaco Gasoline Station and Convenience Store (the "Station"). The Board discussed the ongoing remodeling project at the Station. Mr. Bordelon reported that the District's Engineer and Operator were reviewing the updated plans for the remodeling project at the Station.

Emergency Response Plan (the "ERP"). Mr. Bordelon reported that the ERP was certified to the U.S. Environmental Protection Agency (the "EPA") on 21 December 2021. He called the Board's attention to an electronic mail message from the EPA that

acknowledges receipt of the ERP certification. A copy of the electronic mail message is included with the Engineer's Report.

Inspection of Ground Storage Tank (the "GST"). Mr. Bordelon reported that the 5-year full inspection of the GST at Water Plant No. 1 was performed in December 2021 and that A&S was now awaiting the evaluation report.

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 of Houston (the "City"). Mr. Bordelon reported that the District's Engineer was awaiting a response from the City regarding a set of drawings for the City's surface water transmission line that incorporates the existing utilities owned by the District.

Central Harris County Regional Water Authority (the "CHCRWA"). Mr. Bordelon reported that the District's Engineer is awaiting receipt from the CHCRWA of a set of plans for the CHCRWA Transmission Line that incorporates the District's water distribution facilities. He stated that a copy of the joint facilities agreement between the North Harris County Regional Water Authority and the CHCRWA was sent to the District's Attorney for review, along with the draft water line easement instruments prepared by the CHCRWA.

Mr. Bordelon then reviewed with the Board a map prepared by the District's Engineer that depicts the boundaries of the water districts that are included in the CHCRWA and shows the overall route of the CHCRWA surface water transmission line project (the "Transmission Line") to provide surface water to Harris County Municipal Utility District No. 33 and Fallbrook Utility District. In response to a question from Director Vasina, Mr. Yale stated that the CHCRWA could potentially acquire the necessary easements for the portions of the Transmission Line in the District through a condemnation proceeding and accordingly would not have to enter into an agreement with the District.

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 (the "Retaining Wall"). Mr. Bordelon reviewed with the Board the final sample print layout of the Plaques, a copy of which is included with the Engineer's Report. The Board then discussed the positioning of the Plaques in the Retaining Wall. The Directors agreed that the Plaque for former Director Taylor would be placed in the Retaining Wall panel to the left and the Plaque for former Director Guillory would be placed in the Retaining Wall panel to the right.

Inspection of Storm Sewer Outfall Pipes Into Drainage Channels (the "Outfall Inspection"). Mr. Bordelon reported that A&S will notify the Directors of the findings of the Outfall Inspection. The Directors expressed their desire for the Outfall Inspection to include all of the storm sewer outfalls in the District.

Arsenic Remediation System at Water Plant No. 2 (the "Arsenic System"). Mr. Bordelon reported that the pilot study for the proposed Arsenic System was scheduled to commence later this month.

Veterans Memorial Boulevard / Stormwater Drainage. The Board discussed matters relating to stormwater drainage along Veterans Memorial Boulevard in the District. Director Vasina expressed his desire for the District's Engineer to study the stormwater drainage along the western side of Veterans Memorial Boulevard and determine whether a drainage channel should be constructed and culverts added in said location. Mr. Bordelon stated that he would look into this matter.

After further 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 A&S to proceed with the installation of the Plaques as described above.

Operator's Report

Mr. Wright presented the Operator's Report, a copy of which is attached hereto as an exhibit to these minutes. He reviewed with the Board the condition of the District's facilities. Mr. Wright noted that the District was currently providing water to Forest Hills Municipal Utility District through the emergency water interconnection.

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 as listed in the Facility Evaluation Report presented at the Board's meeting on 3 November 2021. He reported that the repairs to the ladder on the ground storage tank were complete. He added that the parts for the fall protection system at the T.C. Jester Lift Station were on order.

A discussion then ensued regarding potential capital improvement projects at the District's facilities that could be financed through the future sale of bonds by the District. The Directors expressed their desire for the District Operator to prepare a list of potential capital improvement projects.

Automated Mass Notification System. The Board then discussed the status of the 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. Mr. Wright stated that he would send additional test messages to Director Vasina through the Notification System. In response to a question from Director Cruz, Mr. Wright stated that messages and alerts in both English and Spanish could be transmitted by the Notification System.

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

Security Patrol Report

The Board briefly discussed security-related matters in the District, including a possible incident involving animal cruelty. Director Zahradnik indicated that he would discuss this matter with Deputy F. Avila of the Harris County Sheriff's Office.

Attorney's Report

Mr. Yale presented the Attorney's Report.

Eminent Domain Reporting. Mr. Yale reported that on 4 January 2022 the District's Attorney had filed with the Texas Comptroller the annual report for the District containing certain information relating to the District's eminent domain authority pursuant to Senate Bill 1812 as approved by the 84th Texas Legislature – Regular Session 2015. A copy of said eminent domain filing is attached hereto.

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 5 January 2022
Attachments

1. Engagement Letter / Mark C. Eyring, CPA, PLLC;
2. Tax Assessor/Collector's Report;
3. Engineer's Report;
4. Operator's Report; and
5. Eminent Domain report.