

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

6 July 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 6th day of July 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
Luther F. Cowling	Assistant Vice President

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

Also present were Kristen Scott of Bob Leared Interests, 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., the District's Operator; Cole Konopka, 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.

Director Vasina called the meeting to order.

Tax Assessor/Collector's Report

Ms. Scott presented the Tax Assessor/Collector's Report for the Board's consideration. She reported that the District's 2021 tax levy was 95.7% collected as of 31 May 2022. She asked for the Board's approval of five checks written on the District's tax account, said checks including the transfer of \$1,503.93 in revenues from the District's tax for maintenance and operations to the General Fund and the transfer for \$5,000 to the Debt Service Fund. Ms. Scott 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 and seconded, 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.

Delinquent Tax Report

Ms. Scott then presented for the Board's review the Delinquent Tax Report as prepared by Perdue, Brandon, Fielder, Collins & Mott, L.L.P., the District's Delinquent Tax Attorney. A copy of the Delinquent Tax Report is attached hereto. She remarked that there were 35 delinquent tax accounts (the "Delinquent Accounts") that were eligible for termination of water service because of non-payment of property taxes due to the District. A list of the Delinquent Accounts is included in the Delinquent Tax Attorney's Report. After discussion, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Delinquent Tax Attorney's Report; and (2) authorize the District's Operator to terminate water service to the Delinquent Accounts.

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 reviewed with the Board the draft Change Order No. 1 to the contract with KSS, which would provide for the additional work needed to address the deficiencies identified in the sanitary sewer lines that were previously surcharged. A copy of the draft Change Order No. 1 is included with the Operator's Report. Mr. Bordelon stated that the work items in Change Order No. 1 would increase the cost of the KSS contract by \$100,780.00. He then reported that one of the subcontractors on the project had claimed that they had not received payment from the contractor. Mr. Bordelon stated that A&S would notify KSS regarding this matter.

Request for Service / Taco Bell Restaurant. Mr. Bordelon reported on the request for service from the new Taco Bell restaurant located on Veterans Memorial Drive north of Aldine Western Road (the "Restaurant"). He stated that the District's Engineer was awaiting receipt of a revised set of plans for the Restaurant.

Request for Service and Annexation / 1.94-acre tract on Aldine Western Road. Mr. Bordelon discussed with the Board the request from Late Model Investments, LLC (called "LMI") for service to and annexation of a 1.94-acre tract of land located at 1930 Aldine Western Road (the "LMI Tract"). He recalled that the District's Engineer had notified LMI of the requirement to place a deposit with the District to cover the cost for the preparation by A&S of the Feasibility Study in connection with the proposed service to the LMI Tract.

Inspection of Storm Sewer Outfall Pipes Into Drainage Channels and Roadside Ditches along Veterans Memorial Drive (the "Outfall Inspection"). The Board discussed matters relating to the Outfall Inspection. Mr. Bordelon reported that the District's Engineer is coordinating to have a representative visit the outfalls that were inspected earlier this year to confirm that all of the vegetation was cleared.

Mr. Bordelon then reported that A&S was working with the District's Attorney regarding the deficiencies in the Maple Ridge Place Detention Pond (the "Deficiencies") to be addressed by the Maple Ridge Place Community Association, Inc. (the "Association") as stated in the letter dated 24 March 2022 from the District's Engineer to the Association. He stated that A&S had recently located a facility evaluation report for the Detention Pond from April 2014 which requests the replacement of a pipe due to damage caused by the mower. A copy of the facility evaluation report is included with the Engineer's Report. Mr. Bordelon stated that the District's Engineer was striving to locate the correspondence with the Association from that time to confirm how the punch list was conveyed to the Association.

Arsenic Remediation System at Water Plant No. 2 (the "Arsenic System"). Mr. Bordelon reported that A&S was awaiting a response from the Texas Commission on Environmental Quality regarding the data testing report for the pilot study on the Arsenic System that was submitted earlier this year.

Drainage Study / Area Adjacent to Veterans Memorial Drive. The Board discussed the status of the District's request for rehabilitation of the roadside drainage ditch along Veterans Memorial Drive (the "Ditch Rehabilitation"). Mr. Bordelon reported that the District's Engineer was awaiting notification from Harris County Commissioner Precinct 2 regarding the schedule for the Ditch Rehabilitation.

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 stated that the City was finishing the preliminary design phase and finalizing the route of the proposed surface water line (the "City Water Line"). According to the City, he continued, the District will receive an update on the final route for the City Water Line by the end of July 2022. A discussion ensued regarding the possible route for the City Water Line. Mr. Bordelon informed the Board that A&S is calculating the cost for (1) the District's water line (the "District Line") to connect with the City Water Line; and (2) the conversion to a chloramine disinfection system for treating the surface water to be delivered by the City. He stated that the District Line would be approximately 6,000 linear feet in length. In response to a question from the Board, Mr. Bordelon stated that the District would be solely responsible for the cost to construct the District Line. Director Zahradnik requested that the District's Attorney review the GRP Agreement and confirm that the District was responsible for the cost to construct the District Line.

Central Harris County Regional Water Authority (the "CHCRWA"). The Board discussed matters relating to the CHCRWA's proposed surface water transmission line

project (the "Transmission Line") to provide surface water to Harris County Municipal Utility District No. 33 and Fallbrook Utility District. Mr. Bordelon reported that the CHCRWA's design engineer was updating the drawings to revise the width of the water line easements for the Transmission Line from 30 feet to 20 feet as discussed at the Board's meeting on 4 May 2022. He stated that the exhibit that denotes the owners of property situated along the portion of the Transmission Line to be constructed within the boundaries of the District was conveyed to the consulting engineer for the CHCRWA. Matters relating to the Transmission Line were discussed later in the meeting during the presentation of the Attorney's Report.

Traffic Issues in Woodgate Subdivision, Section 3 ("Section 3"). The Board briefly discussed matters relating to traffic issues in Section 3, including the District's request for the installation of a traffic light at the intersection of Veterans Memorial Drive and Marshwood Road. Mr. Bordelon reported that the District's Engineer was awaiting an update from Harris County Commissioner Precinct 1 in connection with the study to be prepared by the Harris County Traffic Study Department.

Potential Capital Improvement Projects at the District's Facilities. The Board briefly discussed matters relating to the draft Table IV – Cost Summary that was presented at the Board's meeting on 23 March 2022. Mr. Bordelon stated that the District's Engineer will await the receipt of the 2022 assessed valuation of the real property in the District before finalizing the project list for the next sale of bonds by the District.

After further discussion, upon a motion duly and seconded, the Board voted unanimously to accept the Engineer's Report.

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. He noted that booster pump No. 2 at Water Plant No. 1 was out of service for repair.

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. Mr. Wright called the Board's attention to the Delivery Results Report for the Notification System, a copy of which is included with the Operator's Report attached hereto.

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

Security Patrol Report

Director Zahradnik reviewed with the Board the Security Patrol Report for the month of June 2022 as prepared by the Harris County Sheriff's Office. A copy of the Security Patrol Report is attached hereto as an exhibit to these minutes.

Amend Rate Order

Consideration was then given to amending the District's Consolidated Rate Order with respect to the rates charged to commercial customers in the District for water and sanitary sewer service.

After discussion, the Directors agreed to amend Section 3.01.B, which relates to the rate charged to commercial customers for water service, to read as follows:

"B. Commercial (including clubs). Commercial buildings shall be billed monthly as follows:

First 5,000 gallons	\$25.00 (minimum)
5,001 to 10,000 gallons	\$6.00 per 1,000 gallons
10,001 to 15,000 gallons	\$7.00 per 1,000 gallons
15,001 to 20,000 gallons	\$9.00 per 1,000 gallons
20,001 to 25,000 gallons	\$11.00 per 1,000 gallons
25,001 to 30,000 gallons	\$14.00 per 1,000 gallons
30,001 to 35,000 gallons	\$17.00 per 1,000 gallons
35,001 to 40,000 gallons	\$20.00 per 1,000 gallons
40,001 to 45,000 gallons	\$25.00 per 1,000 gallons
45,001 to 50,000 gallons	\$30.00 per 1,000 gallons
All over 50,000 gallons	\$50.00 per 1,000 gallons"

After discussion, the Directors agreed to amend the portion of Section 3.02 that relates to the rate charged to commercial customers for sanitary sewer service to read as follows:

"Commercial Buildings: \$40.00 per month (minimum) plus:
\$5.00 per 1,000 gallons of monthly water consumption from 5,001 to 10,000 gallons
\$7.00 per 1,000 gallons of monthly water consumption from 10,001 to 15,000 gallons
\$10.00 per 1,000 gallons of monthly water consumption from 15,001 to 20,000 gallons

\$12.00 per 1,000 gallons of monthly water consumption in excess of 20,000 gallons"

Then, after discussion, upon a motion duly made and seconded, the Board voted unanimously to amend the Rate Order as described above. A copy of the Rate Order thus amended is on file in the permanent records of the District.

Attorney's Report

Mr. Konopka presented the Attorney's Report.

CHCRWA / Proposed Water Line Easement Agreement. Mr. Konopka reported that the District's Attorney was working with Schwartz, Page & Harding, L.L.P. (called "SPH"), the attorney for the CHCRWA, to prepare the Water Line Easement Agreement (the "Easement Agreement") in connection with the construction of the portion of the CHCRWA's Transmission Line that would be constructed within the boundaries of the District. Director Vasina then presented the Board with his comments regarding the form Easement Agreement prepared by SPH (the "Comments").

After discussion, during which Directors Rose and Cruz stated that they would abstain, Directors Vasina, Zahradnik, and Cowling voted in favor of authorizing the District's Attorney to (1) convey to Comments to SPH; and (2) inquire to the CHCRWA regarding the compensation that might be paid to the District in connection with the Easement Agreement.

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 6 July 2022
Attachments

1. Tax Assessor/Collector's Report;
2. Delinquent Tax Attorney's Report;
3. Engineer's Report;
4. Operator's Report; and
5. Security Patrol Report.