

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

3 August 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 3rd day of August 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:

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| 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 Robin Goin of Bob Leared Interests, the District's Tax Assessor/Collector; Hala Abdo, P.E., of A&S Engineers, Inc. ("A&S"), the District's Engineer; Dennis Wright and Mike Potter 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. Goin presented the Tax Assessor/Collector's Report for the Board's consideration. She reported that the District's 2021 tax levy was 96.5% collected as of this date. She asked for the Board's approval of three checks written on the District's tax account, said checks including the transfer of \$3,856.05 in revenues from the District's tax for maintenance and operations to the General Fund and the transfer for \$10,000 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 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 Attorney's Report

Next, Ms. Goin submitted to and reviewed with the Board the Delinquent Tax Attorney's Report dated 3 August 2022 as prepared by Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue"), the District's Delinquent Tax Attorney. A copy of the Delinquent Tax Attorney's Report is attached hereto as an exhibit to these minutes. She discussed the status of the legal action being taken against various delinquent tax accounts. Ms. Goin reported that Perdue had prepared a list of delinquent tax accounts to which water service should be terminated if payment of delinquent taxes is not received by the deadline date (the "Tax Termination List").

After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize the District's Operator to send termination notices to the delinquent tax accounts on the Tax Termination List.

Development Status of the District

Mr. Konopka informed the Board that pursuant to Section 49.236 of the Texas Water Code as amended by Senate Bill 2 ("SB 2") adopted by the 86th Texas Legislature (Regular Session – 2019), the District must determine whether it is a "developed district" or a "developing district" with regard to the Truth-In-Taxation requirements promulgated by SB 2. He stated that the District's Engineer had confirmed that the District was a developing district because to date the District has not yet financed, completed, and issued bonds to pay for all land, works improvements, and appliances necessary to serve at least 95% of the projected build-out of the District. Mr. Konopka submitted for the Board's review and approval a RESOLUTION DECLARING DEVELOPMENT STATUS OF DISTRICT FOR 2022 TAX YEAR. He explained that the Resolution states that the Board has declared the District to be a developing district as defined by Section 49.23602 of the Texas Water Code for the 2022 tax year.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to adopt the Resolution, a copy of which is attached hereto and shall be considered to be part of these minutes.

Engineer's Report / Updates

Next, 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 the District's

Engineer met onsite with representatives of CenterPoint Energy Houston Electric, LLC ("CenterPoint") regarding the proposed bracing of a CenterPoint power pole located near sanitary sewer manhole No. 4. The CenterPoint personnel stated that bracing the power pole was not feasible because of its shallow depth and accordingly the power pole would have to be relocated, she told the Board. Ms. Abdo stated that A&S is working on obtaining pricing for the relocation of the power pole prior to finalizing the change order to the contract with KSS.

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"). Ms. Abdo reported that EJES Incorporated, the City's design consulting engineer, is meeting with the City's Public Works Department this week to finalize the route for the City's proposed surface water line (the "City Water Line"). Once the route for the City Water Line has been finalized, she continued, design of the project will commence and the plans will be prepared by the end of this year for review by the District's Engineer.

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.

Water Interconnections. Mr. Wright reported that the water interconnections between the District and Forest Hills Municipal Utility District ("Forest Hills MUD"), Fallbrook Utility District, and Harris County Municipal Utility District No. 33 were all closed at this time. He noted that Forest Hills MUD owes the District 702,000 gallons of water.

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.

Residential Driveway at 2522 Woodsdale Boulevard (the "Driveway"). Mr. Wright reported that the District customer at 2522 Woodsdale Boulevard had contacted the District's Operator regarding the condition of the Driveway. He stated that a sanitary sewer manhole is located next to the Driveway. Mr. Wright remarked that the Driveway possibly could have been affected by the Sewer Repairs project. However, he continued, images of the Driveway available through Google Maps show that the Driveway was in poor condition prior to the Sewer Repairs project. The Board directed

Mr. Wright to take photographs of the Driveway. The Directors then deferred further discussion of this matter to a future meeting of the Board.

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 July 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. Director Zahradnik remarked that he would discuss the graffiti on the retaining wall near Woodsdale Court with Deputy Francisco Avila. A discussion ensued regarding the scheduling of shifts for Deputy Avila and whether a second contract officer should be added to the Security Service Contract between the District and Harris County. No action was taken on this matter.

Attorney's Report

Mr. Konopka presented the Attorney's Report.

Central Harris County Regional Water Authority (the "CHCRWA") / Proposed Water Line Easement Agreement. Mr. Konopka reported on matters relating to the proposed Water Line Easement Agreement (the "Easement Agreement") in connection with the construction in the District of the portion of the CHCRWA's transmission line (the "Transmission Line") to provide surface water to Harris County Municipal Utility District No. 33 and Fallbrook Utility District. He reviewed with the Board the response from the attorney for the CHCRWA to the comments of Director Vasina regarding the Easement Agreement (the "Response"). A copy of the Response is attached hereto as an exhibit. Mr. Konopka emphasized that, based on the comments in the Response, the CHCRWA would not revise the Easement Agreement as requested by the Board. A discussion ensued regarding the Easement Agreement and the Response. Mr. Konopka remarked that the CHCRWA was likely to pursue a condemnation proceeding to obtain an easement in the District for the Transmission Line if the Board does not execute the Easement Agreement. The Directors deferred further discussion of this matter to a future meeting of the Board.

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 3 August 2022
Attachments

1. Tax Assessor/Collector's Report;
2. Delinquent Tax Attorney's Report;
3. RESOLUTION DECLARING DEVELOPMENT STATUS OF DISTRICT FOR 2022 TAX YEAR;
4. Engineer's Report;
5. Operator's Report;
6. Security Patrol Report; and
7. Email from CHCRWA.