

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

24 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 24th 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:

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 Claudia Redden of Claudia Redden & Associates, LLC, the District's Bookkeeper; Hala Abdo, P.E. and Troy M. Bordelon, P.E. of A&S Engineers, Inc. ("A&S"), the District's Engineer; Dennis Wright and Mike Potter of Water District Management Company, Inc. ("WDM"), 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.

Approval of Minutes

The Board first considered for approval the minutes for the Board of Directors meetings on 27 July 2022 and 3 August 2022. After discussion, upon a motion duly made, the Board voted unanimously to approve the minutes of the Board of Directors meetings on 27 July 2022 and 3 August 2022 as written.

Engineer's Report / Updates

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 reported on their meeting with representatives from CenterPoint Energy Houston Electric, LLC ("CenterPoint") regarding the proposed bracing of a CenterPoint power pole located near sanitary sewer manhole No. 4. Mr. Bordelon reported that CenterPoint presented a cost estimate of \$38,000 to relocate the power pole. He noted that CenterPoint will also need to provide an easement for a neighboring tract. Mr. Bordelon reported that he is waiting for CenterPoint to provide him with the easement.

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 had released the comment letter based on the revised set of plans for the Restaurant.

Request for Service and Annexation / 1.94-acre tract on Aldine Western Road. The District's Engineer discussed with the Board a previous request from Late Model Investments, LLC ("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 provide a deposit with the District to cover the costs for the preparation by A&S of the Feasibility Study in connection with the proposed service to the LMI Tract.

Status of Storm Sewer Outfall Pipes Into Drainage Channels and Roadside Ditches along Veterans Memorial Drive (the "Outfalls"). The Board discussed matters relating to the Outfalls. Mr. Bordelon informed the Board that the Harris County Flood Control District ("HCFCD") had cleared the vegetation as previously observed. However, he continued, HCFCD left some areas around the outfall pipes untrimmed. The District's Engineer will reach out to HCFCD to remediate this, he told the Board.

Arsenic Remediation System at Water Plant No. 2 (the "Arsenic System"). The District's Engineer reported that A&S received a response from the Texas Commission on Environmental Quality (the "TCEQ") regarding the data testing report for the pilot study on the Arsenic System that was submitted earlier this year. A&S is addressing comments received from the TCEQ, he told the Board.

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 City is finalizing a preliminary design phase as well as 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, he 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. Mr. Bordelon reported that A&S contacted the engineer for Forest Hills Municipal Utility District ("Forest Hills MUD") to see if Forest Hills MUD would like to share a surface water line that supplies water from the City Water Line to each respective water district. He stated that the engineer for Forest Hills MUD informed A&S that they will report this proposal to its board of directors and also reach out to the engineer for Mount Houston Road Municipal Utility District ("Mount

Houston Road MUD") to see if Mount Houston Road MUD would be interested in sharing the surface water line with Forest Hills MUD and the District. Mr. Bordelon discussed with the Board the advantages and disadvantages of having the City construct the surface water line that supplies water from the City Water Line to each respective water district.

After further discussion, upon a motion duly made 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. Mr. Wright stated that the total water accountability rate for the District's wells was 91.33% for the month of July 2022. He noted that the results of the bacteriological tests performed on samples of the District's water indicated that no coliform organisms were present. Mr. Wright then reported that the District's Wastewater Treatment Plant (the "Plant") treated an average flow of 240,000 gallons per day during the month, representing a flow equal to 48% of the design capacity for the Plant. Also reviewed was the Arsenic Analysis Report, a copy of which is included with the Operator's Report.

Water Well Booster Pumps. Mr. Wright informed the Board that repairs for the booster pump for Water Well No. 1 were complete. However, he told the Board the booster pump for Water Well No. 2 is now malfunctioning. He recommended replacing the booster pump for Water Well No. 2 and stated that the process could take between eight to nine months to complete. He estimated that the cost to replace the booster pump was \$9,950.00. After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize replacement of the booster pump for Water Well No. 2.

Temporary Water Meter. Mr. Wright then reported that he had received no response from Richard Birdwell of LeCon Inc. ("LeCon") regarding the rental of a temporary water meter from the District (the "Temporary Meter") in connection with the Phase 5 excavation and drainage project at the Cemetery (the "Project").

The Revised Lead and Copper Rule. Mr. Hsu presented to the Board a memorandum (the "Memorandum") discussing revisions to the Lead and Copper Rule under 40 C.F.R. §141 implemented by the Environmental Protection Agency. A copy of the Memorandum is attached hereto as an exhibit to these minutes. He explained that by 16 October 2024, the District must provide a lead service line inventory and a lead service line replacement plan to the TCEQ. He explained that the District must continue to adhere to monitoring and notification requirements of the Lead and Copper Rule. Mr. Wright informed the Board that he has never seen the presence of lead in the District's water system. He also informed the Board that WDM initiated actions to comply with the revised Lead and Copper Rule.

Residential Driveway at 2522 Woodsdale Boulevard (the "Driveway"). Mr. Wright reported on the matter concerning the condition of the Driveway belonging to the District

customer at 2522 Woodsdale Boulevard. He reported that images of the Driveway available via Google Maps show that the Driveway was in poor condition prior to the Sewer Repairs project. He also informed the Board that dye tests conducted on the Driveway did not indicate that the Driveway's damage was caused by the nearby sanitary sewer manhole. Mr. Wright stated that he will inform the customer of WDM's findings.

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

Security Patrol Report

The Board then considered approval of the Interlocal Agreement for Law Enforcement Services (the "Law Enforcement Agreement") with the Harris County Sheriff for the period of 1 October 2022 through 30 September 2022. Mr. Green noted that Directors Vasina and Rose had executed the Law Enforcement Agreement on 15 August 2022 so that it could be returned to the Sheriff's Office prior to this date. After discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the Law Enforcement Agreement as executed. A copy of the Law Enforcement Agreement as executed by the Board is attached hereto as an exhibit to these minutes.

Director Zahradnik revisited the matter of law enforcement patrol schedules within the District. A discussion ensued regarding the scheduling of shifts for Deputy Francisco Avila and whether a second contract officer should be added to the Security Service Contract between the District and the Harris County Sherriff's Office. Mr. Green said he will invite Sergeant David Angstadt and Deputy Avila from the Harris County Sherriff's Office to the next board meeting to discuss this matter.

Attorney's Report

Mr. Konopka presented the Attorney's Report.

Power Supply Issues / Public Power Pool ("P3"). The Directors discussed matters pertaining to the aggregate purchase of electricity under the auspices of the Public Power Pool ("P3"). Mr. Konopka presented a correspondence sent by P3 informing the District that power rates will be higher than anticipated, a copy of which is attached hereto as an exhibit to these minutes. No action was taken on this matter.

Central Harris County Regional Water Authority ("CHCRWA") / Proposed Water Line Easement Agreement. Mr. Konopka briefly reported on matters relating to the proposed Water Line 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. He stated he had not received any updates from Schwartz, Page & Harding, L.L.P., the attorney for the CHCRWA.

Illegal Dumping. Director Rose alerted the Board of instances of illegal dumping at a private detention pond located near 10411 Veterans Memorial Drive. The detention

pond is owned by a private commercial consumer within the District. After discussion, upon a motion duly made, the Board voted unanimously to authorize the District's Attorney to contact the owner of the detention pond and request that they address the illegal dumping on their property.

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 1.5206% per annum for the reporting period.

Maple Ridge Place Detention Pond. The Board then discussed the matter pertaining to deficiencies in the Maple Ridge Place Detention Pond (the "Deficiencies") that need to be addressed by the Maple Ridge Place Community Association, Inc. (the "Association"). Ms. Redden presented a separate report documenting all financial transactions made between the District and the Association (the "Maple Ridge Place Transaction History Report") from 2004 to 2015, a copy of which is attached thereto as an exhibit to these minutes. Mr. Konopka informed the Board that Michael T. Gainer, the new attorney for the Association, requested that the District return a \$30,000 deposit to the Association, pursuant to the Detention Pond Drainage System Agreement for Maple Ridge Place Subdivision, dated 1 December, 2004, between the District and the Association. He stated that the Association would be willing to either let the District address the Deficiencies and then deduct the amount from the Association's remaining deposit balance, or use the remaining deposit amount to undertake the maintenance work on the Deficiencies, if doing so would be less expensive. Mr. Konopka presented to the Board a Stormwater Solutions estimate provided by the Association in the amount of \$18,730 to address the Deficiencies, a copy of which is attached hereto as an exhibit to these minutes. He recommended that the District's Bookkeeper, the Engineer, the Operator, and the Attorney coordinate their efforts to finalize a cost estimate for the District to address the Deficiencies, and to finalize the deposit amount the District owes to the Association after taking into account interests accrued and deducting costs for maintenance work and permit fees.

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 and seconded, the Board voted unanimously to accept the Bookkeeper's Report. A copy of the Bookkeeper's Report is attached hereto as an exhibit to these minutes.

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 24 August 2022

Attachments

1. Engineer's Report;
2. Operator's Report;
3. Memorandum discussing the revised Lead and Copper Rule;
4. Interlocal Agreement for Law Enforcement Services (the "Law Enforcement Agreement") with the Harris County Sheriff for the period of 1 October 2022 through 30 September 2022;
5. Correspondence from P3 in re Revised Procurement Proposal and Notice of Intent to Begin Competitive Procurement Process;
6. Bookkeeper's Report;
7. Maple Ridge Place Transaction History Report; and
8. Stormwater Solutions Estimate to Address the Deficiencies in the Maple Ridge Place Detention Pond.