

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

1 February 2023

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 1st day of February 2023, 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 Robin Goin 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. ("WDM"), the District's Operator; David Green of Coats Rose, P.C. ("Coats Rose"), the District's Attorney; and JoAnn Vasina, an interested party. Attending by teleconference was Cole Konopka of Coats Rose.

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 2022 tax levy was 89.5% collected as of this date. She asked for the Board's approval of seven checks written on the District's tax account and two transfers by wire as follows: the transfer of \$293,878.68 in revenues from the District's tax for maintenance and operations to the General Fund and the transfer for \$550,000 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.

## **Strategic Partnership Agreement with City of Houston**

The Board briefly discussed matters relating to the Strategic Partnership Agreement with the City of Houston (the "City") for limited purpose annexation of commercial property in the District. Ms. Going reported that Leared and provided the City with an updated list of commercial entities in the District (the "Business List"). A copy of the Business List 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.

Water Well No. 1 ("Well No. 1"). Mr. Bordelon reported that WDM had authorized C & C Water Services, LLC ("C & C") to pull the pump and perform a televised inspection of Well No. 1 (the "Inspection") as discussed at the Board's meeting on 25 January 2023. Mr. Wright remarked that in order to minimize the possibility of damage, C & C was cutting rather than unscrewing the sections of the turbine shaft as they are extracted from Well No. 1. He added that C & C recommended that the District file an insurance claim in connection with the Inspection and the anticipated repairs to Well No. 1 (the "Well Repairs"). Mr. Bordelon remarked that the District's Engineer could submit a letter to the Texas Commission on Environmental Quality (the "Commission") stating that an emergency situation exists and requesting approval to undertake the Well Repairs on the basis of a negotiated bid pursuant to §49.274 of the Texas Water Code.

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. Mr. Bordelon reported that on 30 January 2023 the District's Engineer attended a teleconference with representatives of the City's Public Works & Engineering Department to discuss the provision of surface water to the District, Harris County Municipal Utility District No. 119, and El Dorado Utility District through the City's proposed surface water line (the "City Water Line"). During the teleconference, he told the Board, the City personnel stated that the final alignment of the City Water Line was still in the preliminary planning phase undergoing review and approval. According to the City personnel, he continued, Option 2B (which runs south of Beltway 8) is the preferred alignment. He went on to say that a decision on the alignment of the City Water Line is expected by May 2023.

Arsenic Remediation System at Water Plant No. 2 (the "Arsenic System"). Mr. Bordelon reported that the District's Engineer was continuing the work on the corrosivity study on the District's water (the "Study") as directed by the Commission. He remarked that in response to an inquiry from the District's Engineer, the Commission had confirmed the necessity for conducting the Study in connection with the pilot study on the Arsenic System but allowed that the Study would be on a smaller scale than originally anticipated.

After further discussion, upon a motion duly and seconded, the Board voted unanimously to (1) accept the Engineer's Report; (2) direct the District's Operator to file an insurance claim in connection with the Inspection and the Well Repairs; and (3) authorize the District's Engineer to transmit a letter to the Commission requesting approval to perform the Well Repairs on the basis of negotiated bids, pursuant to §49.274.

### **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 stated that the District's Operator was conferring with A&S regarding the replacement of certain electronic components at the District's facilities.

Detention Pond / Maple Ridge Place Subdivision ("Maple Ridge Place"). Mr. Wright reported that he had received proposals from two vendors to the proposed repairs to and maintenance of the detention pond serving Maple Ridge Place (the "Pond Repairs" and the "Pond Maintenance"). He stated that Storm Water Solutions, LLC ("SWS") had submitted the most advantageous proposals, as follows: \$18,780 to perform the Pond Repairs and \$40,188 per year to perform the Pond Maintenance.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the proposals from SWS; and (2) authorize the District's Operator to coordinate with SWS regarding the Pond Repairs and the Pond Maintenance. The Directors agreed to consider approval of a service contract with SWS for the Pond Maintenance (the "Maintenance Contract") at a future meeting of the Board. Mr. Konopka stated that the District's Attorney would notify the attorney for the Maple Ridge Place Community Association, Inc. when the Maintenance Contract has been executed.

Contractor Backcharge. Mr. Wright reported on the backcharge of \$8,969 that AnSCO & Associates owes to the District (the "Backcharge"). He stated that, to date, AnSCO & Associates had not responded to the request letters from the District's Operator for payment of the Backcharge. Mr. Konopka stated that the District's Attorney could draft a demand letter to AnSCO & Associates if payment of the Backcharge is not received by 28 February 2023.

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

### **Operating Service Agreement / Rate Schedule**

The Board then discussed matters relating to the Water Distribution and Wastewater Collection Systems Service Agreement dated 1 May 2005 between the District and WDM (the "Service Agreement"). Mr. Wright submitted for the Board's review (1) a proposed Schedule for Services (the "Services Schedule") to be attached as Exhibit "A" to the Service Agreement; and (2) a proposed Schedule for Equipment

Rates, Labor Rates, and Water Tap Fees (the "Rate Schedule") to be attached as Schedule "A" to the Service Agreement.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to (1) approve the Services Schedule and Rate Schedule; and (2) authorize Director Vasina to execute same, subject to review by the District's Attorney. Copies of the Services Schedule and the Rate Schedule as approved by the Board are attached hereto as exhibits to these minutes.

### **Security Patrol Report**

Director Zahradnik reviewed with the Board the Security Patrol Report for the month of January 2023 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. Mr. Green then reviewed with the Board an electronic correspondence from Sergeant Walter Stensland of the Sheriff's Office regarding the procedures for security patrols in areas that have a Security Service Contract in which the contract officers are directed to spend 70% of their time in the contract area (the "Procedures"). A copy of the electronic correspondence is attached hereto. [Subsequent to this meeting, Director Zahradnik confirmed that the Procedures applied only to Security Service Contracts in Patrol District 4, whereas the District is located in Patrol District 1].

### **Association of Water Board Directors – Texas (the "AWBD") / Midwinter Conference**

The Directors briefly discussed the seminars that were presented at the AWBD Midwinter Conference held on 27 and 28 January 2023 in Austin.

### **Attorney's Report**

Mr. Konopka presented the Attorney's Report.

Central Harris County Regional Water Authority (the "CHCRWA") / Proposed Water Line Easement Agreement (the "Easement Agreement"). The Board discussed matters relating to the proposed Easement Agreement between the District and the CHCRWA in connection with 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. Konopka reported that he had expressed the Board's concerns regarding the Easement Agreement to the attorney for the CHCRWA, who responded that the Transmission Line was designed to allow the District to place a water line in or across the easement for the Transmission Line (the "Easement"). He reviewed with the Board an electronic correspondence dated 31 January 2023 from John Hale, E.I.T. of the IDS Engineering Group, the design engineer for the Transmission Line, to the District's Engineer. A copy of the electronic correspondence is attached hereto as an exhibit. According to Mr. Hale, he told the Board, there would be no issues with a future District water line crossing the Easement as long as the District's water line meets all spacing requirements of the Commission as well as any other applicable regulatory requirements. Mr. Hale stated further in the

electronic correspondence that the Easement Agreement allows for crossing utilities pending review by the CHCRWA, so that the CHCRWA can ensure the spacing compliance, said Mr. Konopka. He then reviewed with the Board the Permitted Encroachments section of the proposed Easement Agreement. Mr. Bordelon presented the Board with a schematic drawing prepared by A&S that depicts the location in the District of the Easement and the City Water Line. A copy of the schematic drawing is attached hereto. After further discussion, the Board directed Mr. Konopka to transmit a request to the CHCRWA for a legally binding instrument between the District and the CHCRWA with respect to a future District water line crossing the Easement.

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

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Secretary, Board of Directors

SEAL

Harris County Municipal Utility District No. 11  
Meeting of 1 February 2023  
Attachments

1. Tax Assessor/Collector's Report;
2. SPA Business List;
3. Engineer's Report;
4. Operator's Report;
5. WDM Services Schedule and Rate Schedule;
6. Security Patrol Report;
7. Email from Sgt. Stensland;
8. Email from John Hale / Design Engineer for CHCRWA; and
9. Schematic drawing / CHCRWA transmission line and easement.