

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

22 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 22nd 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, with Director Rose attending by teleconference, thus constituting a quorum. The Board noted that Director Rose could participate in the discussions but could not vote on matters before the Board at this meeting, pursuant to Section 551.127 of the Texas Government Code.

Also present were Claudia Redden of Claudia Redden & Associates, L.L.C., the District's Bookkeeper; Troy Bordelon, P.E., and Eric Williams, 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 and David Green of Coats Rose, P.C., the District's Attorney; and JoAnn Vasina, an interested party.

Director Vasina called the meeting to order.

Approval of Minutes

The Board first considered approval of the minutes of the meetings of 25 January 2023 and 1 February 2023. Director Zahradnik requested a revision to page 4 of the minutes of 1 February 2023. After discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the minutes of the meeting of 25 January 2023 as written and the minutes of the meeting of 1 February 2023 as amended.

Engineer's Report

Then 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 discussed with the Board the condition of Well No. 1. He reviewed with the Board a letter dated 9 February 2023 from C & C Water Services, LLC ("C & C") confirming the removal of the pumping equipment from Well No. 1 and the completion of the televised survey of same (the "Inspection"). A copy of the letter is included with the Engineer's Report. He noted that, according to C & C, the pump assembly had a break in the line-shaft coupling and the 22-stage pump bowl had separated and became unscrewed in seven places. The Inspection revealed that Well No. 1 has structural issues with a dogleg starting at a depth of 810 feet, said Mr. Bordelon, and the production of sand by Well No. 1 was likely caused by the well shaft being crooked. Based on their findings, he continued, C & C recommends the following actions for Well No. 1: (1) wire brush the 10-inch screen to a depth of 800 feet; (2) fill the remaining portion of the well from 800 feet to 1,053 feet to eliminate the dogleg and sand intrusion; (3) install approximately 200 feet of rod-base screen; and (4) replace the vertical turbine line shaft motor and pump with a submersible pump assembly with a capacity of 400 gallons per minute (collectively, the "Well Rehabilitation"). The Board noted that C & C had proposed to perform the Well Rehabilitation at a cost of \$198,552 (the "Proposal") as detailed in the letter. Mr. Bordelon remarked that the Well Rehabilitation would likely take 10 weeks to complete. Mr. Wright stated that a representative of the District's insurance carrier would meet with C & C later this week to discuss the District's insurance claim for the Well Rehabilitation.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to accept the C & C Proposal and to authorize C & C to proceed with the Well Rehabilitation. Attached hereto as an exhibit to these minutes is a letter dated 24 February 2023 from the District's Engineer to the Texas Commission on Environmental Quality (the "Commission") requesting approval to undertake the Well Rehabilitation on the basis of a negotiated bid pursuant to §49.274 of the Texas Water Code.

Renewal of Wastewater Discharge Permit. Mr. Bordelon reported that the District's Engineer was preparing the application to the Commission for the renewal of the Discharge Permit.

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 A&S was awaiting the final pay estimates and close-out documentation from KSS.

Arsenic Remediation System at Water Plant No. 2 (the "Arsenic System"). Mr. Bordelon reported that the District's Engineer had submitted the corrosivity study on the District's water to the Commission.

Water Supply and Groundwater Reduction Plan Wholesale Agreement (the "GRP Agreement"). The Board briefly discussed matters relating to the GRP Agreement dated 5 March 2003 between the District and the City of Houston (the "City"). Mr. Bordelon remarked that the District's Engineer was still awaiting a notification from the City

regarding the alignment of the City's proposed surface water line (the "City Water Line") to provide surface water to the District, Harris County Municipal Utility District No. 119, and El Dorado Utility District. Director Zahradnik expressed his view that if the City fails to provide the District with the alignment of the City Water Line by April or May 2023, then the District's Attorney should draft a letter to the City requesting an extension of the City's deadline for the District to convert to surface water.

Then, after review, 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 95.3% for the month of January 2023. 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 307,000 gallons per day during the month, representing a flow equal to 61.4% 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.

Possible Development of 3.76-acre Tract on Aldine-Western Road (the "Tract"). The Board discussed the possible development in the Tract located along Aldine-Western Road adjacent to the Harris County Emergency Services District No. 17 Fire Station. Mr. Wright reported that the District's Operator met with the contractor working in the Tract and was informed that the property would be developed as a parking facility. He stated that the District's Operator would continue to monitor the development of the Tract.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to accept the Operator's Report.

Termination of Service

Consideration was then given to the termination of water and sewer service to certain delinquent accounts. The President recognized Mr. Wright, who advised the Board that the requisite notifications had been given to each customer and that each customer was advised of the date, time, and place of the Board meeting which they could attend to discuss termination of service. The Board noted that there were no customers present to protest the utility billings. After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize the Operator to terminate the water and sewer service to those accounts listed on the termination list.

Agreement for Maintenance of Detention Pond Serving Maple Ridge Place Subdivision

Next, the Board discussed the proposed maintenance of the detention pond serving the Maple Ridge Place Subdivision (the "Detention Pond Maintenance"). Mr. Konopka submitted to and reviewed with the Board the proposed Master Service Agreement between the District and Storm Water Solutions, LLC (called "SWS") for the Detention Pond Maintenance. The Board noted that under the Master Service Agreement SWS would perform the Detention Pond Maintenance at an annual cost to the District of \$40,188. After discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the Master Service Agreement and authorize execution of same. A copy of the executed Master Service Agreement is attached hereto and shall be considered to be part of these minutes. Mr. Konopka stated that he would notify the attorney for the Maple Ridge Place Community Association, Inc. of the approval of the Master Service Agreement.

Amend Rate Order

Consideration was then given to amending the District's Consolidated Rate Order (the "Rate Order") with respect to certain fees billed to the District's customers. Mr. Konopka reviewed with the Board the recommendation from the District's Operator regarding the adjustment of certain fees and deposits. After discussion, the Directors agreed to the following amendments to the Rate Order: (1) revise Section 2.04 to state that the fee for the inspection of a backflow prevention assembly will be equal to the District's cost plus 15%; (2) revise Section 2.05 to state that the fee for the inspection of plumbing for swimming pool installations will be \$125; (3) revise Section 4.02.B. to state that a disconnection charge of \$50 and a reinstatement charge of \$50 will be due to the District if water service is discontinued and later reinstated upon payment in full of all amounts due; (4) revise Section 4.02.B. to establish a fee of \$75 for the reinstallation of a customer's water meter; and (5) revise Section 4.02.C to increase the returned check fee to \$40. Then, after discussion, upon a motion duly made and seconded, the Board voted unanimously to amend the Rate Order to incorporate the revisions as stated above. A copy of the amended Rate Order is on file in the permanent records of the District.

Renewal of Insurance Coverage

Then the Board briefly discussed matters relating to the renewal of the District's insurance policies (the "Insurance Policies"), which expire on 1 May 2023. Mr. Green reported that the District's Attorney was working with HARCO Insurance Services, Inc. to obtain a proposal for the renewal of the Insurance Policies.

Attorney's Report

Mr. Konopka presented the Attorney's Report.

Directors Election. The Board discussed matters relating to the 6 May 2023 Directors Election for the District. Mr. Konopka reported that the District's Attorney had

received an Application for a Place on the Ballot (the "Application") from District resident Barbara K. Burson in addition to the Applications filed by Directors Cruz and Cowling. He added that an Application from Marcel Glynn was delivered to the District's Attorney after the 17 February 2023 deadline date. Accordingly, he continued, there would be three candidates for the two positions on the Board to be considered by the qualified voters in the District in the Directors Election.

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 the attorney for the CHCRWA had informed him that the board of directors of the CHCRWA was willing to execute a letter agreement with the District with respect to a future District water line encroaching upon or crossing the Easement (the "Letter Agreement"). He stated that the District's Attorney was preparing the Letter Agreement. After discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the Easement Agreement and to authorize execution of same, contingent upon the execution of the Letter Agreement by the CHCRWA.

Bookkeeper's Report

Finally, 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 4.2% per annum for the reporting period.

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: (1) accept the Bookkeeper's Report; (2) authorize the payment of the District's bills; and (3) approve the Investment Report. Copies of the Bookkeeper's Report and Investment Report are attached to and shall be considered to be part of 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 22 March 2023
aAttachments

1. Engineer's Report;
2. Letter from A&S Engineers to TCEQ;
3. Operator's Report;
4. Master Service Agreement / Maintenance of Detention Pond; and
5. Bookkeeper's Report.