

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

16 May 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 special session, open to the public at 5:00 p.m. on the 16th day of May 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 Barbara K. Burson, a resident of the District; Dick Yale and David Green of Coats Rose, P.C. ("Coats Rose"), the District's Attorney; JoAnn Vasina, an interested party; and Leroy Rose, a resident of the District. Attending by teleconference were Dennis Wright of Water District Management Company, Inc. ("WDM"), the District's Operator; and Cole Konopka of Coats Rose.

Director Vasina called the meeting to order.

### **Canvass Returns of Directors Election**

The Returns of the 6 May 2023 Directors Election were presented to the Board by Mr. Green. He reviewed the Returns and announced that fourteen (14) ballots had been cast in the Election, with zero (0) of these ballots cast as early votes, zero (0) of these ballots being cast as mail-in ballots, and zero (0) of these ballots cast as provisional ballots, with the votes distributed as follows:

Luther Cowling	5 votes
Cynthia A. Cruz	6 votes
Barbara K. Burson	8 votes

Director Vasina announced that Ms. Burson and Ms. Cruz had been elected to serve on the Board until the Directors Election in the year 2027. Attached hereto as exhibits to these minutes are copies of the OFFICIAL RETURNS for the Directors Election as prepared by the Harris County Elections Administration. Upon a motion duly

made and seconded, the Board voted unanimously to adopt an ORDER CANVASSING RETURNS AND DECLARING RESULTS OF DIRECTORS ELECTION, a copy of which is attached hereto and shall be considered to be part of these minutes.

Then Mr. Konopka told the Board that the Public Employee Blanket Bond covering the five positions of Director of the District would continue in force and effect. Directors Burson and Cruz then executed their Oaths of Office which the Board voted unanimously to approve, after a motion duly made and seconded. The Directors also executed their Statements of Elected Officer. Copies of the executed Oaths and Statements are attached to these minutes as exhibits. Also attached hereto as exhibits to these minutes are the Affidavit for Director and the Statement of Director as submitted to the District's Attorney by Director Burson.

Mr. Konopka noted that Director Burson would need to complete the required Texas Open Government training within 90 days (14 August 2023).

### **Election of Officers**

The Directors next considered the need to reconstitute the Board of Directors, pursuant to the requirements of Section 49.054, Texas Water Code. After discussion, upon a motion duly made and seconded, the Board voted unanimously to elect the Directors to the offices indicated:

Kenneth D. Vasina	President/Investment Officer
Cynthia Ann Cruz	Vice President
Tammy B. Rose	Secretary/Treasurer
Marvin L. Zahradnik	Assistant Secretary/Treasurer
Barbara K. Burson	Assistant Vice President

Then, upon a motion duly made and seconded, the Board voted unanimously to authorize the District's Attorney to prepare a revised District Registration Form and to file same with the Texas Commission on Environmental Quality.

### **Paymentech LLC / Agreement for Merchant Services Processing**

The Board then considered entering into an agreement with Paymentech LLC ("Paymentech"), a wholly owned subsidiary of JPMorgan Chase Bank, N.A., for certain merchant services processing pursuant to the terms and conditions set forth in the Terms and Conditions for Merchant Services Processing (the "Agreement") and the Electronic Check Processing Addendum (the "ECP Addendum"), for payment services relating to the bills distributed by WDM to the District's customers for water and sanitary sewer service. Mr. Wright responded to questions from the Board regarding the payment services to be provided by Paymentech to the District's customers. He reviewed with the Board images of the current online payment portal for the District's customers (the "Portal") and the enhanced Portal that would be used when Paymentech provides the payment processing services. Copies of the images of the Portals are attached hereto as exhibits.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the Agreement and ECP Addendum and authorize Director Vasina to execute same. A copy of the Agreement (consisting of the Merchant Attestation and Amendment of Agreement and ECP Addendum Terms, the Electronic Check Processing Addendum to Terms and Conditions for Merchant Processing, and the Terms and Conditions) as approved by the Board is attached hereto and shall be considered to be part of these minutes.

## **Water Well No. 2**

Next, the Board discussed the condition of Water Well No. 2 ("Well No. 2"). Mr. Wright reported that the coils inside the starter unit were malfunctioning. He stated that Neil Technical Services, Corp. ("NTS") had located a used coil system that could be installed in the starter unit for Well No. 2 at an estimated cost of \$15,000. However, he continued, a warranty would not be available for the used coil system. Mr. Wright then stated NTS had recommended the replacement of the existing starter unit with a soft-start system (the "Soft-Start") at an estimated cost of \$16,000. He noted that the Soft-Start would be covered by a warranty.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize the District's Operator to (1) proceed with the acquisition and installation of the Soft-Start; and (2) file a claim with the District's insurance carrier in connection with the failed starter unit at Well No. 2.

## **Water Well No. 1**

Mr. Wright reported on the status of the rehabilitation of Well No. 1 ("Well No. 1") by C & C Water Services, LLC. He reported that Well No. 1 was pumping water earlier this date. He added that WDM hopes to have Well No. 1 returned to service later this month.

## **Water Supply and Groundwater Reduction Plan Wholesale Agreement / City of Houston**

The Board discussed matters relating to the Water Supply and Groundwater Reduction Plan Wholesale Agreement (the "GRP Agreement") between the District and the City of Houston (the "City"), including 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 Vasina reviewed with the Board the revised draft letter from the District to the City requesting that the District be granted an extension of 24 months with regard to the schedule for connecting with the City Water Line and accepting surface water from the City (the "Extension Letter"). He noted that A&S Engineers, Inc., the District's Engineer, had revised the Extension Letter pursuant to the discussion at the Board's meeting on 3 May 2023.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to (1) authorize Director Vasina to execute the Extension Letter; and (2) authorize the District's Attorney to transmit the Extension Letter to the

City. A copy of the Extension Letter is attached hereto and shall be considered to be part of these minutes.

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 16 May 2023  
Attachments

1. Official Returns of Directors Election;
2. ORDER CANVASSING RETURNS AND DECLARING RESULTS OF DIRECTORS ELECTION;
3. Oath of Office and Statement of Officer / Cynthia Ann Cruz;
4. Oaths of Office and Statement of Officer / Barbara Burson;
5. Affidavit for Director / Barbara Burson;
6. Statement of Director / Barbara Burson;
7. Images of Online Payment Portals;
8. Agreement for Merchant Services Processing / Paymentech LLC; and
9. Letter to City of Houston / extension of deadline to convert to surface water.