

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

28 June 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 28th day of June 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
Barbara K. Burson	Assistant Vice President

and all of said persons were present, thus constituting a quorum.

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. ("WDM") the District's Operator; Cole Konopka, 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 approval of the minutes of the meetings of 16 May 2023, 24 May 2023, and 7 June 2023. After discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the minutes of the meetings of 16 May 2023, 24 May 2023, and 7 June 2023, as written.

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 93.8% for the month of May 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 516,000 gallons

per day during the month, representing a flow equal to 51.6% of the design capacity for the Plant. He stated that a possible permit excursion involving the level of E. Coli in the effluent occurred on 17 June 2023. Mr. Wright remarked that the apparent excursion may be due to a sampling error. Also reviewed was the Arsenic Analysis Report, a copy of which is included with the Operator's Report.

Water Well No. 1 ("Well No. 1"). Mr. Wright reported on the condition of Well No. 1. He stated that Well No. 1 was currently producing groundwater at a rate of up to 390 gallons per minute. He noted that the documentation for the repairs to Well No. 1 had been sent to the District's insurance carrier. Mr. Wright added that the performance of the District's Water Well No. 2 was scheduled to be tested during the following week. The condition of Well No. 1 was also discussed during the presentation of the Engineer's Report.

Sinkhole at 10323 Veterans Memorial Drive (the "Sinkhole"). Mr. Wright reported that the District's Operator was continuing to monitor the status of the Sinkhole. He stated that no progression in the Sinkhole had been observed as of late.

Survey of Fire Hydrants in the District (the "Hydrant Survey"). Mr. Wright reported that WDM had completed the annual Hydrant Survey.

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.

Engineer's Report

Then Mr. Bordelon presented the Engineer's Report, a copy of which is attached hereto as an exhibit.

Well No. 1. Mr. Bordelon informed the Board that the water production rate of Well No. 1 had decreased following the replacement of the pump and the rehabilitation of the well. There is less sand being produced because C & C Water Services, LLC filled in the lower depths of the well during the rehabilitation project, he told the Board. However, he continued, there is still sand present. He observed that this was expected because Well No. 1 has historically had sand issues. He noted that the specific capacity for Well No. 1 was measured at 2.1, which is considered to be low. Mr. Bordelon recommended that the performance of Well No. 1 continue to be monitored. The

serviceable life remaining for Well No. 1 is indeterminate at this time, said Mr. Bordelon, and accordingly the District's Engineer is recommending that the District plan for the construction of a new water well ("Well No. 3") if the District would plan to rely on Well No. 3 in the future. He stated that the future Well No. 3 could possibly be constructed at the Water Plant No. 2 site.

Renewal of Wastewater Discharge Permit (the "Permit"). Mr. Bordelon reported that the Texas Commission on Environmental Quality had acknowledged receipt of the renewal application packet for the Permit.

Arsenic Remediation System at Water Plant No. 2 (the "Arsenic System"). Mr. Bordelon reported that A&S was working with the District's Operator to complete the testing for the required corrosivity engineering report relating to the Arsenic System.

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 on 27 June 2023 the District's Engineer met with City representatives to discuss 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. He stated that, to date, the City has not made a final determination regarding the alignment of the City Water Line.

Development of 3.76-acre Tract on Aldine-Western Road (the "FEDEX Tract"). The Board discussed the development of the FEDEX staging facility in the FEDEX Tract located along Aldine-Western Road adjacent to the Harris County Emergency Services District No. 17 Fire Station. Mr. Bordelon stated that the District's Engineer had obtained proposals from two surveying firms (the "Proposals") to perform a survey of a certain 2.49-acre tract out of the Abstract 732 J B Sanders (the "Survey") as follows: a Proposal in the amount of \$4,150 from Landpoint, LLC and a Proposal in the amount of \$3,100 from Core Surveying. Copies of the Proposals are included with the Engineer's Report. Mr. Bordelon noted that the Survey would indicate whether a portion of the perimeter fence for the FEDEX staging facility was encroaching onto adjacent property that is owned by the District.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Engineer's Report; and (2) accept the Proposal from Core Surveying.

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 5.0035% per annum for the reporting period. Ms. Redden then

reviewed with the Board the Special Projects Report and a report detailing the balance of deposits paid by developers for legal and engineering fees incurred by the District for their respective projects (the "Developer Deposit Report"). Copies of the Special Projects Report and the Developer Deposit Report are attached hereto as exhibits to these minutes. Ms. Redden then reported that unclaimed funds totaling \$2,580.75 had been escheated to the Texas Comptroller's Office by the District's Bookkeeper.

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.

Harris County Contract Deputy Program

Next, the Board discussed matters relating to the Contract Deputy Program. Director Zahradnik reported that Deputy Isaac Lopez of the Harris County Sheriff's Office was recently assigned as the new contract officer to conduct patrols in the District. He stated that he recently toured the District with Deputy Lopez.

Attorney's Report

Mr. Konopka presented the Attorney's Report.

Resolution Regarding Fees of Office. Mr. Konopka reported that House Bill 2815 ("HB 2815" as approved by the 88th Texas Legislature (2023 – Regular Session) amends Section 49.060 of the Texas Government Code, which would allow the Directors of the District to be paid a fee of office in an amount equal to the amount set by the Texas Ethics Commission for members of the Texas Legislature, which is currently \$221 per day. He noted that the annual limit for fees of office that may be paid to the Directors would remain at \$7,200. Mr. Konopka stated that it would be necessary for the Board to adopt a RESOLUTION REGARDING FEES OF OFFICE in order to increase the amount of the fees of office pursuant to HB 2815. He then presented the Board with a RESOLUTION REGARDING FEES OF OFFICE as prepared by the District's Attorney. After discussion, upon a motion duly made and seconded, the Board voted unanimously to adopt the Resolution. A copy of the Resolution thus adopted 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.

Secretary, Board of Directors

SEAL

Harris County Municipal Utility District No. 11
Meeting of 28 June 2023
Attachments

1. Operator's Report;
2. Engineer's Report;
3. Bookkeeper's Report;
4. Special Projects report;
5. Developer Deposit Report; and
6. Resolution Regarding Fees of Office.