

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 113

Minutes of Meeting of Board of Directors

October 14, 2025

The Board of Directors ("Board") of Harris County Water Control and Improvement District No. 113 ("District") met on October 14, 2025, at 14707 Dale Hollow Lane, Cypress, Texas, 77429, pursuant to the duly posted notice of said meeting with a quorum of directors present as follows:

Darren Hoyland, President
Carolyn Maniscalco, Vice President
David Robicheaux, Secretary
Scott McCorkle, Assistant Secretary
Makonen A. Campbell, Director

and the following absent:

None.

Also present were Ms. Michelle Guerrero of Bob Leared Interests; Mr. Scott Shelnett of Municipal Operations & Consulting, Inc.; Mr. Christopher T. Burke of Burke Engineering; and Mr. Douglas McNiel, attorney for the District.

The President called the meeting to order and declared it open for such business as might properly come before it.

1. The Board opened the floor for public comment. Hearing none, the Board continued the meeting.

2. The Board opened a public hearing for the proposed 2025 tax rate at 7:09 p.m. The financial advisor recommended maintaining the current tax rate of \$0.57, composed of a \$0.070 debt service tax and a \$0.50 operations and maintenance tax. This will maintain a very healthy 32-and-a-half-month reserve in the District's operating fund. The engineer noted that the District will have upcoming system maintenance and replacement that will be funded by the operating fund. The tax bill on an average homestead will be \$1,522. Hearing no public comments, the Board closed the public hearing for the proposed 2024 tax rate at 7:12 p.m.

3. After discussion, upon motion by Director McCorkle, seconded by Director Campbell, the Board approved the attached Order adopting a total 2025 District tax rate of \$0.57 composed of an \$0.070 debt service tax and a \$0.50 operations and maintenance tax.

4. The Board reviewed the updates to the Amendment to Statement of Directors to the Board. After brief review and discussion, upon motion by Director McCorkle, seconded by Director Robicheaux, the Board adopted the updated Amendment of Statement of Directors.

5. It was noted that the District's financial advisor discussed the proposed term of a contract amendment with the Board of Directors at the October meeting. The amendment will permit an hourly rate payment structure for tax rate analysis and other issues requiring the input of the financial advisor. Typically, the financial advisor performs these functions in anticipation of payment from the sale of bonds; however, the District's mature status

makes it unlikely that there will be future bond sales. After brief review and discussion, upon motion by Director Campbell, seconded by Director McCorkle, the Board adopted the Masterson Advisors, LLC contract amendment.

6. The review and discussion of the audit report for the fiscal year ended May 31, 2025, was tabled until the District's November meeting.

7. The review of the District's investment policy was tabled until the District's November meeting.

8. The review for the compliance with Senate Bill 253 was tabled until the District's November meeting.

9. The Board then recognized Mr. Douglas McNeil who advised the Board regarding the District's continuing disclosure compliance filings. After the audit report for the fiscal year ended May 31, 2025 is complete, it will need to be publicly filed so existing bondholders can be sure that the District has the financial standing to meet its payment obligations. After brief discussion, upon motion by Director McCorkle, seconded by Director Robicheaux, the Board unanimously authorized the District's attorney's office to file as necessary.

10. The Board considered the minutes of the meeting of September 9, 2025. Upon motion by Director McCorkle, seconded by Director Campbell, the Board unanimously approved the minutes as presented.

11. Ms. Michelle Guerrero presented the tax assessor-collector's report reflecting the District's 2024 taxes are 97.929% collected. Ms. Guerrero presented three checks for the Board's review and approval and one wire transfer was made. After discussion, upon motion by Director McCorkle, seconded by Director Campbell, the Board voted unanimously to approve the tax assessor-collector's report.

12. The Board reviewed the delinquent tax report prepared by Perdue, Brandon, Fielder, Collings & Mott L.L.P. After reviewing the report, Ms. Guerrero requested the Board's approval to have the delinquent tax attorney move forward with door tagging and eventual termination on three delinquent properties. Director Maniscalco will work with the delinquent tax attorney to provide an updated contact address for one of the recipients of the door tags. After discussion, upon motion by Director McCorkle, seconded by Director Campbell, the Board approved the water termination letters.

13. Mr. Scott Shelnutt presented the operator's report which reflected 418 total connections in the District. Collections for the month were at \$40,943.05 with current billings at \$41,030.99. The report showed water accountability at 84.85% during this period. Total water plant pumpage for the prior month was 5,865,000 gallons. There were no permit violations reported at the wastewater treatment plant. The operator did not recommend placing any delinquent accounts onto the District's list of uncollectible accounts. The operator requested that the November agenda contain a discussion of the operator's contract. The operator informed the Board of an upcoming service line replacement that will impact the District's commercial properties, including the La Hacienda Restaurant. The operator will coordinate with the commercial properties to arrange an optimal time to cut off the water service and make the line

replacement. The operator informed the Board that the District passed its Texas Commission on Environmental Quality inspection with “no deficiencies.”

Lastly, the Board and the operator discussed providing a payment plan to a commercial property that is delinquent in its water and sewage bills. It was noted that the property is a restaurant and will lose all ability to pay the delinquent bills and future bills if the water service is shut off. Upon motion by Director McCorkle, seconded by Director Robicheaux, the Board authorized the operator to work with the property on a payment plan to pay the bills and avoid the termination of water service. After discussion, upon motion by Director Robicheaux, seconded by Director McCorkle, the Board voted unanimously to approve the operator’s report as presented.

14. Mr. Chris Burke presented the engineer’s report. Mr. Burke provided updates on ongoing District projects, including the sanitary sewer rehabilitation project. Mr. Buke then discussed the District’s conversion to surface water. The North Harris County Regional Water Authority is having trouble procuring all the required easements, so the installation of surface water lines has been pushed to at least the second quarter of 2026 and the water plant conversion has been pushed to at least the first quarter of 2026. The engineer also informed the Board that the wastewater treatment plant blower motor replacement has been completed, and the invoice has been provided to the District’s insurance. After further discussion, upon motion by Director McCorkle, seconded by Director Campbell, the Board voted unanimously to approve the engineer’s report as presented.

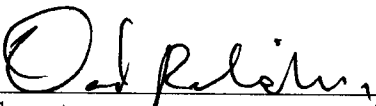
15. Mr. Douglas McNiel gave a brief attorney’s report. He informed the Board that the District received a notice of consumer price index (CPI) increase from the solid waste provider GFL. The CPI increase is 6.53%. Following the December implementation of the \$1.67 increase, the new total per connection will be \$27.16. The District does not need to amend the rate order because of the “prevailing garbage rate” language.

16. The Board then reviewed the bookkeeper’s report which reflected the District’s operating fund contained \$2,556,360.79, the construction fund contained \$114,749.66, and the bond fund contained \$61,772.88. The Board discussed the high AT&T bill, and it was noted that this is for the District’s water plant. The operator will look into changing service providers to lower the bill. Upon motion by Director McCorkle, seconded by Director Robicheaux, the Board voted unanimously to approve the bookkeeper’s report.

17. There was no executive session held.

18. No other matters were discussed.

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


Secretary

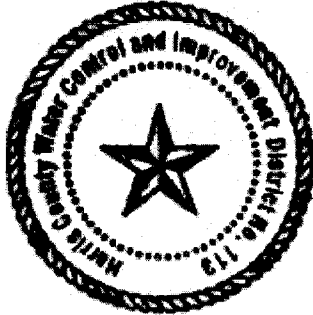
HARRIS OUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 113
NOTICE OF PUBLIC MEETING

Notice is hereby given to all interested members of the public that the Board of Directors of the captioned District will hold a public meeting at **14707 Dale Hollow Lane, Cypress, Texas**. The meeting will be held at **7:00 p.m. on Tuesday, October 14, 2025**.

The subject of the meeting is to consider and act on the following:

1. Public Comment
2. Public Hearing on Proposed 2025 Tax Rate
3. Order Adopting Appraisal Roll and Levying Tax for 2025
4. Amendment of Statement of Directors
5. Amendment to Masterson Advisors LLC Contract
6. Audit Report for F.Y.E. 05/31/2025
7. Resolution Affirming Review of Investment Policy, Strategies and Objectives; Annual Review of Qualified Brokers
8. Authorize Review of Investments for Compliance with SB 253 (Chapter 2270, Texas Government Code)
9. Authorize Continuing Disclosure Compliance Filing
10. Minutes of the September 9, 2025 meeting
11. Tax Assessor/Collector's report; status of tax collections; payment of expenses from tax account
12. Delinquent Tax Report
13. Operator's report; status of operation of District facilities; authorize maintenance and repairs, as necessary; customer correspondence; termination of service to delinquent accounts; amend Drought Contingency Plan as needed
14. Engineer's report; review and authorize proposed maintenance and repairs; approve award of construction contracts; approve change orders, pay estimates, and advertisement for bids, as necessary; status of District facilities; Capital Improvement Plan, authorize additional design and construction as appropriate
15. Attorney report
16. Bookkeeper's report; payment of bills; investment of District Funds
17. Executive (closed) Session Pursuant to Texas Government Code §§ 551.071, 551.072, 551.074 and 551.076

18. Other Matters and pending business: including, Insurance, Annexation of Land; Contract for Electric Power; Audit Report; Application to Texas Commission on Environmental Quality; Continuing Disclosure; Solid Waste Contract



A handwritten signature in black ink, consisting of a stylized 'D' and 'C' followed by a horizontal line extending to the right.

Douglas C. McNiel
Attorney for the District