

ORDER SETTING TAX RATE AND LEVYING TAX FOR 2011

THE STATE OF TEXAS §  
COUNTY OF HARRIS §  
HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 110 §

WHEREAS, Harris County Water Control and Improvement District No. 110 (the "District") has bonds outstanding which are payable in whole or in part from ad valorem taxes; ; and

WHEREAS, the order(s) authorizing said bonds contain provisions for the levy of taxes for the purposes of paying interest and principal on said bonds, while any part of said principal or interest remains outstanding and unpaid;

WHEREAS, the District is authorized to levy a tax for maintenance and operation purposes;

WHEREAS, the tax rolls for the tax year of 2011 have been certified by the Harris County Appraisal District ; and

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF DIRECTORS OF HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 110 THAT:

I.

There is hereby levied an ad valorem tax on all taxable property within the District for the 2011 tax year at the rate of (1) \$0.40 per \$100 assessed valuation to pay the debt service requirements on the obligations payable from the Debt Service Funds and (2) \$0.15 per \$100 assessed valuation for operating and maintenance purposes, for a total tax rate of \$0.55 per \$100 assessed valuation.

The District's Tax Assessor and Collector is authorized and instructed to proceed to collect the aforesaid taxes on the basis of this Order. Upon deposit of the tax receipts to the District's Tax Account, the Tax Assessor and Collector shall transfer to the District's Operating Fund the portion of the tax receipts that were collected to pay for operating and maintenance purposes. All other taxes collected, after deduction of the reasonable costs of levying, assessing and collecting the same shall be deposited into the District's Debt Service Fund and shall only be used for the purpose of paying principal and interest on the District's outstanding bonds.

The taxes levied hereby shall be delinquent after January 31, 2012.

This Order shall be effective from and after its adoption.

II.

The President or Vice President is authorized to do all things necessary for execution of this Order; and the President or Vice President is further authorized to execute, and the Secretary or any Assistant Secretary to attest, this Order on behalf of the Board of Directors.

PASSED AND ADOPTED THIS October 12, 2011.

ATTEST:  
/s/ Texas H. Stevens  
Secretary, Board of Directors

/s/James N. Williams  
President, Board of Directors