

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
(Master)

October 6, 2021

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 500 (the "District") met in regular session, open to the public, on the 6th day of October, 2021, at the Lakehouse, 10000 Towne Lake Parkway, Cypress, Texas, outside the boundaries of the District but inside the boundaries of the Service Area, and the roll was called of the members of the Board:

Joanne E. Quintero	President
Jeffrey D. Ottmann	Vice President
Saundra Dahlke	Secretary
James Spackman	Assistant Secretary
James Ross	Asst. Vice President/ Asst. Secretary

and all of the above were present except for Director Ottmann, thus constituting a quorum.

Also present at the meeting were Doug Larson, member of the public; Travis Singleton of the Towne Lake Community Association, Inc. ("HOA"); Fran Matuska of F. Matuska, Inc. ("FMI"); Jerry Hlozek and Michael Crahan of Caldwell Companies; Michael Ammel and Amanda Benzman of Environmental Development Partners, LLC ("EDP"); Leslie Cook of RBC Capital Markets ("RBC"); Robert Atkinson of Edminster Hinshaw Russ and Associates, Inc.; Brenda McLaughlin of Bob Leared Interests ("BLI"); and Katie Carner and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Mr. Singleton addressed the Board regarding silt buildup around the Towne Lake marina. He also inquired about the status of potential erosion repairs in the regional detention facilities. Ms. Carner stated the District has designated an Erosion Committee that is working with EHRA to develop a plan to address the erosion. She stated that the Board authorized a survey of the southern shoreline.

Mr. Singleton also addressed the Board regarding a resident reportedly utilizing water pumped from the regional detention facilities in a water feature located on the resident's property. Ms. Carner stated that the Board previously directed the resident to cease pumping water from the lake, and the resident indicated that he had complied. She also noted that EHRA has also investigated the matter and did not observe water

being pumped from the lake. Mr. Hlozek stated that the HOA would follow up with the resident.

APPROVE MINUTES

The Board reviewed the minutes of the September 1, 2021, regular meeting. After review and discussion, Director Ross moved to approve the minutes, as submitted. Director Spackman seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Matuska presented the bookkeeper's report and submitted the bills for the Board's review. A copy of the bookkeeper's report is attached.

After discussion, Director Spackman moved to approve the bookkeeper's report and the payments presented. Director Ross seconded the motion, which passed unanimously

INVESTMENT OFFICER MATTERS

ADOPT RESOLUTION CHANGING AND APPOINTING INVESTMENT OFFICER

Ms. Carner reviewed the Resolution Changing and Appointing Investment Officer, which reflected the appointment of Brendan Doran with FMI as the District's new Investment Officer. After review and discussion, Director Spackman moved to adopt the Resolution Changing and Appointing Investment Officer and direct that the Resolution be filed appropriately and retained in the District's official records. Director Ross seconded the motion, which passed unanimously.

ACCEPT DISCLOSURE STATEMENT FOR INVESTMENT OFFICER

The Board considered accepting the disclosure statement from the District's Investment Officer. Ms. Carner explained that the disclosure statement required by the Public Funds Investment Act discloses relationships between the District's investment officer and entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District. She also explained that the statement would be filed in the District's official records and with the Texas Ethics Commission. Following review and discussion, Director Spackman moved to accept the disclosure statement and authorize filing of the disclosure statement with the Texas Ethics Commission. Director Ross seconded the motion, which passed unanimously.

APPROVED AMENDED EXHIBITS A TO DEPOSITORY PLEDGE AGREEMENTS WITH CENTRAL BANK AND ALLEGIANCE BANK

The Board considered approving an Amended Exhibit A to each of the Depository Pledge Agreements with Central Bank and Allegiance Bank providing for the appointment of Brendan Doran as Investment Officer. Following review and discussion, Director Spackman moved to approve Amended Exhibits A to the Depository Pledge Agreements with Central Bank and Allegiance Bank. Director Ross seconded the motion, which passed unanimously.

AUTHORIZE EXECUTION AND FILING OF DISTRICT REGISTRATION FORM

The Board considered authorizing execution of an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ"), reflecting the new Investment Officer. Following review and discussion, Director Spackman moved to authorize filing of the updated District Registration Form with the TCEQ and direct that the District Registration Form be filed appropriately and retained in the District's official records. Director Ross seconded the motion, which passed unanimously.

APPROVE INDENTURE OF TRUST WITH THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. ("BONY")

Ms. Carner reviewed a proposed Indenture of Trust with BONY securing the District's issuance of Contract Revenue Bonds (Park Facilities). After review and discussion, Director Ross moved to approve the Indenture of Trust with BONY and direct that the Indenture be filed appropriately and retained in the District's official records. Director Spackman seconded the motion, which passed unanimously.

CONTRACT REVENUE BONDS (PARK FACILITIES), SERIES 2021 ("SERIES 2021 PARK BONDS")

Ms. Carner stated that the TCEQ issued an order approving the issuance of the District's \$11,680,000 Series 2021 Park Bonds and discussed the procedures for sale of the bonds. Ms. Cook discussed the proposed schedule of events for sale of the bonds.

PRELIMINARY OFFICIAL STATEMENT FOR THE DISTRICT'S SERIES 2021 PARK BONDS

Ms. Cook reviewed the Preliminary Official Statement for the District's Series 2021 Park Bonds. After review and discussion, Director Spackman moved to approve the Preliminary Official Statement, subject to final review. Director Ross seconded the motion, which passed unanimously.

APPOINT PAYING AGENT/REGISTRAR

The Board considered appointing a paying agent/registrar for the Series 2021 Park Bonds. Following review and discussion, Director Spackman moved to appoint The Bank of New York Mellon Trust Company, N.A., as the District's paying agent/registrar for the Series 2021 Park Bonds. Director Ross seconded the motion, which passed unanimously.

AUTHORIZE ADVERTISEMENT FOR SALE OF THE SERIES 2021 PARK BONDS

The Board considered authorizing the District's financial advisor to advertise the sale of the District's Series 2021 Park Bonds. After discussion, Director Spackman moved to authorize the District's financial advisor to advertise the sale of the District's Series 2021 Park Bonds. Director Ross seconded the motion, which passed unanimously. The Board concurred to conduct the sale of the bonds at the regular meeting on November 3, 2021, at 12:00 p.m.

AUTHORIZE AUDITOR TO PREPARE DEVELOPER REIMBURSEMENT REPORT

The Board considered authorizing McCall Gibson Swedlund Barfoot PLLC ("McCall") to prepare a developer reimbursement report for the Series 2021 Park Bonds. After review and discussion, Director Spackman moved to authorize McCall to prepare the developer reimbursement report for the Series 2021 Park Bonds. Director Ross seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Ms. Benzman presented the operator's report, a copy of which is attached. She reported on routine maintenance and repair items in the Service Area.

Ms. Benzman reviewed a Notice of Anticipated Fees for 2021 from the West Harris County Regional Water Authority ("WHCRWA"), a copy of which is attached to the operator's report.

Ms. Benzman updated the Board on the status of the replacement of the lift pump nos. 1 and 2 at lift station no. 2.

Ms. Benzman reported that the replacement of the air drop pipes at the wastewater treatment plant is complete.

Ms. Benzman updated the Board on the status of the water plant no. 2 fence rehabilitation project.

Ms. Benzman updated the Board on the status of the insurance claim that EDP resubmitted on behalf of the District for repairs related to the February 2021 Freeze Event.

Mr. Ammel recommended that the District enter into a landscape maintenance contract for the landscape buffer around the wastewater treatment plant. He also recommended that the Board obtain a proposal for an initial cleanup and replacement of dead landscaping. After discussion, the Board concurred to request that EDP obtain proposals for an initial cleanup, landscaping replacement, and ongoing monthly maintenance for the Board's review at the next regular meeting.

After review and discussion, Director Ross moved to accept the operator's report. Director Spackman seconded the motion, which passed unanimously.

DISCUSS LAKE MANAGEMENT AND MAINTENANCE

WILDLIFE MANAGEMENT, INCLUDING REPORT AND PROPOSALS FROM A ALL ANIMAL CONTROL ("AAAC")

The Board discussed the status of wildlife management in the District, including wildlife monitoring and trapping, and reviewed a report from AAAC for September, a copy of which is attached. The Board then reviewed a memorandum from the District to the Participant districts regarding the capture of an alligator, a copy of which is attached.

EROSION, DREDGING, AND WATER QUALITY

There was no discussion on this agenda item.

AGREEMENT FOR USE OF FACILITIES WITH TEXAS SEARCH AND RESCUE ("TEXSAR")

Ms. Carner reported that TEXSAR was not interested in proceeding with an Agreement for Use of Facilities with potential training times limited to weekdays between sunrise and sunset. The Board confirmed their decision to limit any potential training times as presented to TEXSAR.

AMENDMENT TO LAKE RULES

Ms. Carner stated that the District received a request from the HOA for a proposed amendment to the lake rules. She stated that ABHR is coordinating with the HOA on the proposed amendment.

ENGINEERING MATTERS

Mr. Atkinson presented an engineer's report, a copy of which is attached, and reviewed it with the Board.

Mr. Atkinson noted the phone number residents can call to report potential Storm Water Pollution Prevention Plan ("SWPPP") violations to Harris County, the enforcement agency for SWPPPs in Harris County.

Mr. Atkinson reviewed the capital projects fund sheet, a copy of which is attached to the engineer's report. Ms. Carner reviewed a letter from WHCRWA notifying the District that the WCHRWA is preparing to advertise for bids for the construction of the surface water line to serve water plant no. 2 and providing an updated construction estimate. She noted that, based on the new construction estimate, the District's portion is now projected to be lower than originally anticipated.

PRELIMINARY PLANNING FOR GRADE SEPARATION AT UNION PACIFIC RAILROAD AND INTERSECTION IMPROVEMENTS AT HIGHWAY 290 ("UPRR/HIGHWAY 290 PROJECT")

Mr. Atkinson updated the Board on the status of the UPRR/Highway 290 Project.

REPORT ON STORMWATER FACILITIES MAINTENANCE AND REPAIRS, AND APPROVE SUBMERGED STORM SEWER AGREEMENTS AND MAINTENANCE AGREEMENTS

Mr. Atkinson stated that the Storm Water Solutions, LLC, report will be provided to the Board.

REVIEW BIDS AND AWARD CONTRACT FOR EMERGENCY WATER INTERCONNECT

Mr. Atkinson updated the Board on the status of design of the emergency water interconnect with Harris County Municipal Utility District No. 196.

REVIEW BIDS AND AWARD CONTRACT FOR WATER WELL NO. 1

Mr. Atkinson updated the Board on the status of the design of water well no. 1.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR WASTEWATER TREATMENT PLANT NO. 2

Mr. Atkinson updated the Board on the design of wastewater treatment plant no. 2. He requested the Board approve the plans and specifications and authorize

advertisement for bids for the project.

After review and discussion, Director Dahlke moved to approve the plans and specifications and authorize advertisement for bids for wastewater treatment plant no. 2. Director Spackman seconded the motion, which passed unanimously.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR THE MOUND ROAD EAST UTILITY EXTENSION PROJECT

Mr. Atkinson updated the Board on the design of the Mound Road East Utility Extension project.

REVIEW BIDS AND AWARD CONTRACT FOR CONSTRUCTION OF WATER PLANT NO. 1 HYDROPNEUMATIC TANK ADDITION

Mr. Atkinson updated the Board on the status of design of the additional hydropneumatic tank at water plant no. 1.

WASTEWATER TREATMENT PLANT NO. 1 GENERATOR

Mr. Atkinson updated the Board on the status of the revised cost estimates for a proposed wastewater treatment plant no. 1 generator.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR WASTEWATER TREATMENT PLANT AERATION AND DIGESTER BASIN REHABILITATION PROJECT

Mr. Atkinson updated the Board on the status of the wastewater treatment plant aeration and digester basin rehabilitation project. He reviewed and recommended approval of Pay Estimate No. 5 in the amount of \$73,431.90 and Change Order Nos. 1 and 2 to increase the contract in the amounts of \$3,000.00 and \$36,970.00, respectively, submitted by T&G Services. The Board determined that Change Order Nos. 1 and 2 are beneficial to the District.

After review and discussion, and as recommended by the engineer, Director Dahlke moved to approve Pay Estimate No. 5 in the amount of \$73,431.90 and Change Order Nos. 1 and 2 to increase the contract in the amounts of \$3,000.00 and \$36,970.00, respectively submitted by T&G Services, based on the Board's determination that the Change Orders are beneficial to the District. Director Spackman seconded the motion, which passed unanimously.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR CLEARING AND GRUBBING FOR DETENTION 1L, PHASE 2

The Board deferred discussion on this agenda item until Executive Session.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR TOWNE LAKE SECTION 60 TEMPORARY ACCESS ROAD

Mr. Atkinson updated the Board on the construction of the Towne Lake Section 60 temporary construction access road. He stated that he had no pay estimates from Storm Water Solutions, LLC for the Board's approval.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR DETENTION 1L, PHASE 2

Mr. Atkinson updated the Board on the status of construction of detention 1L, Phase 2. He stated that he had no pay estimates from Allgood Construction Co., Inc. for the Board's approval.

APPROVE CAPACITY RESERVATIONS AND UTILITY COMMITMENT LETTERS

There was no discussion on this agenda item.

UPDATE ON TPDES PERMIT RENEWAL APPLICATION FOR HORSEPEN CREEK WASTEWATER TREATMENT PLANT

Mr. Atkinson requested that the Board approve the permit renewal application for the TPDES permit for the Horsepen Creek wastewater treatment plant. After review and discussion, Director Dahlke moved to approve the permit renewal documents for the TPDES permit for the Horsepen Creek wastewater treatment plant and authorize filing of same. Director Spackman seconded the motion, which passed unanimously.

CONVEYANCE OF EASEMENTS/DEEDS; ABANDONMENT OF EASEMENT; CONSENTS TO ENCROACHMENT

There was no discussion on this agenda item.

SURPLUS FUNDS APPLICATION AND BOND APPLICATION NO. 11

Ms. Carner updated the Board on the status of the taxable bond application no. 11 and the surplus funds applications.

WHCRWA MATTERS

There was no discussion on this agenda item.

LANDSCAPE ARCHITECT'S REPORT

There was no discussion on this agenda item.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Mr. Hlozek updated the Board on the status of development in Towne Lake.

REPORTS FROM DISTRICT CONSULTANTS REGARDING DISTRICT
CORRESPONDENCE AND PROVISION OF RECORDS

There was no discussion on this agenda item.

REVIEW AND REVISE ACTION LIST

The Board reviewed the action list and noted items to be included and removed from the list.

CONVENE IN EXECUTIVE SESSION TO CONDUCT A PRIVATE CONSULTATION
WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR
A SETTLEMENT OFFER, PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT
CODE

The Board convened in Executive Session at 1:13 p.m. pursuant to Section 551.071 of the Texas Government Code to conduct a private consultation with their attorney to discuss pending or contemplated litigation or a settlement offer. Ms. Carner, Ms. Ramirez, and Mr. Atkinson also were present. Ms. Carner requested the presence of Mr. Atkinson in this Executive Session in order for the Board to obtain the necessary legal advice from its attorney, and the Board concurred to have him present.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

The Board reconvened in Open Session at 1:16 p.m.

ENGINEERING MATTERS (CONT'D)

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR CLEARING AND
GRUBBING FOR DETENTION 1L, PHASE 2

After review and discussion, Director Spackman moved to (1) authorize execution of a Settlement Agreement and Release for the clearing and grubbing for detention 1L, Phase 2 project, subject to the Board President's approval; and (2) approve the final pay estimate to Project Storm, LLC, subject to finalization. Director Dahlke seconded the motion, which passed unanimously.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.

(SEAL)




Secretary, Board of Directors

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