

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

June 29, 2022

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 29th day of June, 2022, at the Lakehouse, 10000 Towne Lake Parkway, Cypress, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Jeffry D. Ottmann	President
Joanne E. Quintero	Vice President
Jeff P. Collins	Secretary
James Spackman	Assistant Secretary
Alan Steinberg	Asst. Vice President/ Asst. Secretary

and all of the above were present except Directors Ottmann and Spackman, thus constituting a quorum.

Also present at the meeting were Bill Collier of the Towne Lake Community Association, Inc.; Leslie Cook of RBC Capital Markets; Lynn Kurtz and Wendi Devita of Myrtle Cruz, Inc. ("MCI"); Cindy Harrell of F. Matuska, Inc. ("FMI"); Bart Downum of Environmental Development Partners, LLC ("EDP"); J.T. Gaden of EHRA Engineering ("EHRA"); Brenda McLaughlin of Bob Leared Interests; and Katie Carner, Allison Leatherwood, and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no comments from the public.

CONSENT AGENDA

Director Quintero offered Board members the opportunity to remove items from the consent agenda for individual discussion. After discussion, Director Collins moved to approve all items on the consent agenda and direct that, where appropriate, the documents be filed appropriately and retained in the District's official records, including: (1) the minutes of the June 1, 2022, regular meeting; (2) the bookkeeper's report; (3) authorizing any interested directors to attend the Association of Water Board Directors ("AWBD") winter conference and any other AWBD official events; (4) adopting the Resolution Requesting Appraisal of Property and Certificate of Estimated Appraised Value; (5) the tax assessor's report; (6) the operator's report; and (7) the engineer's report. Director Spackman seconded the motion, which passed

unanimously. Copies of the bookkeeper's report, tax assessor's report, operator's report, and the engineer's report are attached.

ITEMS REMOVED FROM THE CONSENT AGENDA

There were no items removed from the Consent Agenda.

APPROVE AUDIT FOR FISCAL YEAR END MARCH 31, 2022

Ms. Carner stated that the District's audit is not yet ready due to the District's regular July meeting being rescheduled a week earlier and the timing of the auditor receiving some of the District's files from the District's bookkeeper. She stated that the Board can either schedule a special meeting to review the audit or approve the audit, subject to receipt and final comments from directors and consultants. After discussion, Director Collins moved to approve the audit for fiscal year ended March 31, 2022, subject to receipt and final review by the directors and consultants. Director Steinberg seconded the motion, which passed unanimously.

APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME IN ACCORDANCE WITH CONTINUING DISCLOSURE OF INFORMATION AGREEMENT

Ms. Carner reviewed an Annual Report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the bond resolutions. She stated that the District is required to file certain financial and operating data with the Municipal Securities Rulemaking Board (the "MSRB") through EMMA in compliance with SEC Rule 15c2-12. Following review and discussion, Director Steinberg moved to approve the Annual Report, subject to final review, authorize the attorney to submit the Annual Report in compliance with the continuing disclosure provisions contained in the bond resolutions and direct that the Annual Report be filed appropriately and retained in the District's official records. Director Collins seconded the motion, which passed unanimously.

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. The Board concurred that no changes are required at this time.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS

There was no discussion on this agenda item.

## RENEWAL OF DISTRICT'S INSURANCE POLICIES

The Board deferred discussion on this agenda item, pending receipt of an insurance renewal proposal from Arthur J. Gallagher & Co.

## ADDITIONAL OPERATIONAL MATTERS

Mr. Downum reported that the valve survey is complete.

The Board reviewed correspondence from the Texas Commission on Environmental Quality ("TCEQ") regarding drought responses for public water systems, a copy of which is attached.

## HEARING ON TERMINATION OF WATER AND SEWER SERVICE

There were no accounts submitted for termination.

## WEST HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

There was no discussion on this agenda item.

## ADDITIONAL ENGINEERING MATTERS

There was no discussion on this agenda item.

## REPORT REGARDING DEVELOPMENT IN THE DISTRICT

There was no discussion on this agenda item.

## DISCUSS MEDIA COMMUNICATIONS AND, IF APPROPRIATE, ADOPT RESOLUTION ADOPTING POLICY REGARDING MEDIA COMMUNICATIONS

The Board deferred discussion on this agenda item.

## BOOKKEEPING SERVICES MATTERS

### AUTHORIZE TERMINATION OF CONTRACT FOR BOOKKEEPING SERVICES WITH FMI

The Board considered terminating the contract with FMI for bookkeeping services. Following review and discussion, Director Collins moved to: (1) terminate the contract with FMI as the District's bookkeeper; and (2) authorize ABHR to send a notice of termination to FMI, pursuant to the terms of the contract. Director Steinberg seconded the motion, which passed unanimously.

AUTHORIZE EXECUTION OF AGREEMENT FOR BOOKKEEPING SERVICES WITH MCI

The Board considered engaging MCI to serve as the District's bookkeeper. Ms. Carner reviewed the proposed Agreement for Bookkeeping Services with MCI. After review and discussion, Director Collins moved to authorize execution of the Agreement for Bookkeeping Services with MCI, subject to final review, and direct that the Agreement be filed appropriately and retained in the District's official records. Director Steinberg seconded the motion, which passed unanimously.

ADOPT RESOLUTION CHANGING AND APPOINTING INVESTMENT OFFICER

The Board reviewed a Resolution Changing and Appointing Investment Officer, which appoints Mary Jarmon as the new Investment Officer for the District. After review and discussion, Director Collins 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 Steinberg seconded the motion, which passed unanimously.

ACCEPT DISCLOSURE STATEMENT FOR BOOKKEEPER AND INVESTMENT OFFICER

The Board received the disclosure statements from Mary Jarmon and Wendi Devita as the District's new Investment Officer and bookkeeper. Ms. Carner explained that the statements disclose relationships of the bookkeeper/Investment Officer with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District. She noted that the disclosure statements will be filed with the Texas Ethics Commission.

After review and discussion, Director Collins moved to accept the disclosure statements of Ms. Jarmon and Ms. Devita as the District's Investment Officer and bookkeeper and authorize filing of the statements with the Texas Ethics Commission. Director Steinberg seconded the motion, which passed unanimously.

APPROVE AMENDED EXHIBITS A TO DEPOSITORY PLEDGE AGREEMENTS ("DPA") WITH CENTRAL BANK AND ALLEGIANCE BANK

The Board reviewed an Amended Exhibit A to the District's DPA with Central Bank which reflects MCI as the District bookkeeper and Ms. Jarmon as the District's Investment Officer. The Board then reviewed an Amended Exhibit

A to the District's DPA with Allegiance Bank which reflects Ms. Jarmon as the District's Investment Officer.

After review and discussion, Director Collins moved to approve the Amended Exhibits A to the District's DPAs with Central Bank and Allegiance Bank. Director Steinberg seconded the motion, which passed unanimously.

AUTHORIZE EXECUTION OF DISTRICT REGISTRATION FORM

The Board then considered authorizing execution and filing of an updated District Registration Form with the TCEQ, reflecting the new bookkeeper and Investment Officer.

After review and discussion, Director Collins moved to authorize filing of the updated District Registration Form with the TCEQ, as required. Director Steinberg seconded the motion, which passed unanimously.

REVIEW AND REVISE ACTION LIST

The Board noted there were no items on the action list at this time.

DISCUSS MEETING SCHEDULE

The Board discussed the regular meeting schedule.

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

(SEAL)



  
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Secretary, Board of Directors

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