

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

September 12, 2023

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 12th day of September, 2023, 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 Director Ottmann, thus constituting a quorum.

Also present at the meeting were Lydia Morgan, member of the public; Deputy Kimberly Nobles of the Harris County Sheriff's Office ("HCSO"); Athena Henrickson of the Towne Lake Community Association ("HOA"); Jerry Hlozek of Caldwell Companies; Leslie Cook of RBC Capital Markets ("RBC"); JC Reno of Storm Water Solutions, LLC; Eric Steinman of KGA/DeForest Design, LLC; Lynn Kurtz of Myrtle Cruz, Inc. ("MCI"); Amanda Benzman of Environmental Development Partners; J.T. Gaden of EHRA Engineering; Brenda McLaughlin of Bob Leared Interests; and Katie Carner, Allison Leatherwood, and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Ms. Morgan introduced herself and stated that she runs the Towne Lake neighborhood watch. She stated that she is interested in serving as a liaison between the Towne Lake municipal utility districts, the HOA, and law enforcement on security matters.

CONSENT AGENDA

· Director Quintero offered Board members the opportunity to remove items from the Consent Agenda for individual discussion. After discussion, Director Steinberg 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 August 8, 2023, regular meeting; (2) the bookkeeper's report; (3) the tax assessor's report; (4) the operator's report; and (5) the engineer's

report. Director Collins seconded the motion, which passed unanimously. Copies of the bookkeeper's report, tax assessor's report, operator's report, and engineer's report are attached.

ITEMS REMOVED FROM THE CONSENT AGENDA

There were no items removed from the Consent Agenda.

SECURITY MATTERS, INCLUDING REPORT FROM THE HCSO AND SECURITY COMMITTEE AND APPROVE INTERLOCAL AGREEMENT FOR LAW ENFORCEMENT SERVICES WITH HARRIS COUNTY

The Board reviewed the security report from the HCSO, a copy of which is attached.

The Board reviewed the Interlocal Agreement for Law Enforcement Services with Harris County for a term ending September 30, 2024. After review and discussion, Director Collins moved to approve the Interlocal Agreement for Law Enforcement Services and direct that the Agreement be filed appropriately and retained in the District's official records. Director Spackman seconded the motion, which passed unanimously.

ADOPT RESOLUTION NOMINATING CANDIDATE FOR BOARD OF DIRECTOR ELECTION FOR HARRIS CENTRAL APPRAISAL DISTRICT ("HCAD")

The Board considered nominating a candidate for the Board of Director Election for HCAD. After review and discussion, Director Steinberg moved to adopt a Resolution Nominating Candidate for Board of Director Election for HCAD, reflecting the District's nomination of Jonathan Cowen, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Spackman seconded the motion, which passed unanimously.

DISCUSS 2023 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

Ms. Cook reviewed a handout regarding the Master District contract tax payment calculations, a copy of which is attached. She then reviewed RBC's 2023 tax rate recommendation, a copy of which is attached, and recommended that the Board levy a 2023 total tax rate of \$0.88, comprised of \$0.055 per \$100 of assessed valuation to provide for the District's debt service requirements, \$0.58 to provide for the District's contract tax requirements, and \$0.245 to provide for maintenance and operation requirements. Discussion ensued regarding the proposed tax rate. Ms. Carner discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Steinberg moved to: (1) set the public hearing date for October 10, 2023; and (2) authorize the tax assessor/collector to publish notice of the District's meeting on October 10, 2023, at 12:00 p.m., to set the proposed 2023 total tax rate of \$0.88 per \$100 of assessed valuation. Director Spackman seconded the motion, which passed unanimously.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS

Ms. Kurtz requested the Board approve check no. 3375 in the amount of \$6,789.65, payable to the Harris County Treasurer. After review and discussion, Director Steinberg moved to approve check no. 3375 as detailed above. Director Spackman seconded the motion, which passed unanimously.

The Board reviewed correspondence from the Rennell Parent Teacher Organization regarding an updated funding request for recreational facility improvements for Rennell Elementary, a copy of which is attached. After review and discussion, Director Steinberg moved to decline the request. Director Collins seconded the motion, which passed unanimously.

ADDITIONAL OPERATIONAL MATTERS

Ms. Benzman discussed the implementation of Stage 2 of the District's Drought Contingency Plan ("DCP"), including the mandatory watering restrictions. The Board discussed reconvening the DCP review committee, made up of Directors Ottmann and Collins, to consider revisions of the District's DCP in conjunction with the other Towne Lake municipal utility districts. After discussion, Director Steinberg moved to reconvene the District's DCP review committee, made up of Directors Ottmann and Collins. Director Spackman seconded the motion, which passed unanimously.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE

There was no discussion on this agenda item.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("WHCRWA") MATTERS

The Board reviewed a notice from the WHCRWA regarding Stage 2 Drought Conditions, a copy of which is attached.

ADDITIONAL ENGINEERING MATTERS, INCLUDING APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR BARKER CYPRESS UTILITY EXTENSION PHASE 2 PROJECT

Mr. Gaden updated the Board on the Barker Cypress utility extension phase 2

project and stated that the proposed schedule has moved up and the project might need to be developer funded due to the timing.

Mr. Gaden then requested the Board approve the plans and specifications and authorize solicitation for bids for the Barker Cypress utility extension phase 2 project. After review and discussion, Director Steinberg moved to approve the plans and specifications and authorize solicitation for bids for the Barker Cypress utility extension phase 2 project. Director Spackman seconded the motion, which passed unanimously.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Mr. Hlozek reviewed a report on the status of development in Towne Lake, a copy of which is attached.

REVIEW AND REVISE ACTION LIST

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

REPORT REGARDING LEGISLATIVE MATTERS

Ms. Carner reviewed a report prepared by ABHR regarding legislative matters pertaining to the 88th Regular Session of the Texas Legislature.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.076, TEXAS GOVERNMENT CODE, TO DELIBERATE THE DEPLOYMENT, OR SPECIFIC OCCASIONS FOR IMPLEMENTATION OF SECURITY PERSONNEL OR DEVICES, OR A SECURITY AUDIT

The Board convened in Executive Session at 1:09 p.m. pursuant to Section 551.076 of the Texas Government Code to deliberate the deployment, or specific occasions for implementation of security personnel or devices, or a security audit. Ms. Carner, Ms. Leatherwood, and Ms. Ramirez also were present.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

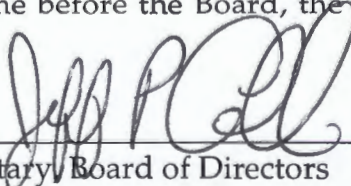
The Board reconvened in Open Session at 1:25 p.m. No action was taken by the Board.

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

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Bookkeeper's report.....	2
Tax assessor's report.....	2
Operator's report	2
Engineer's report.....	2
Security report.....	2
Master District contract tax payment calculations.....	2
2023 tax rate recommendation	2
Correspondence from the Rennell Parent Teacher Organization.....	3
Notice from the WHCRWA.....	3
Report on status of development	4