

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

February 13, 2024

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 13th day of February, 2024, 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 Spackman, thus constituting a quorum.

Also present at the meeting were Sergeant Chacun Anderson, Deputy Kimberly Nobles, and Deputy Aaron Herrera of the Harris County Sheriff's Office ("HCSO"); Lydia Morgan, member of the public; Bethany Gray of the Towne Lake Community Association, Inc. ("HOA"); Michael Crahan of Caldwell Companies; Angel Ruvalcaba of KGA/DeForest Design, LLC; Leslie Cook of RBC Capital Markets; JC Reno of Storm Water Solutions, LLC; Lynn Kurtz of Myrtle Cruz, Inc.; Amanda Benzman of Environmental Development Partners ("EDP"); J.T. Gaden and Kenrick Piercy 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

There were no comments from the public.

CONSENT AGENDA

Director Ottmann 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 January 9, 2024, regular meeting; (2) the bookkeeper's report; (3) approving reimbursement of eligible expenses from the Association of Water Board Directors ("AWBD") winter conference and authorizing any interested Board members to attend the AWBD summer conference; (4) the tax assessor's report; (5) the

delinquent tax report; (6) the operator's report; and (7) the engineer's report. Director Steinberg 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.

2024 DIRECTORS ELECTION

Ms. Carner explained that the Harris County Clerk notified the District that Harris County will not contract with political subdivisions, such as the District, to administer the District's May 2024 Directors Election. She stated that, as a result, the District will not contract with Harris County, as previously authorized, but instead the District will administer its own election, if required.

Ms. Carner discussed the option of approving exemptions from using electronic voting systems during the 2024 Directors Election. After review and discussion, Director Quintero moved to approve an exemption from the electronic voting machine requirement and to authorize ABHR to publish the required notice. Director Steinberg seconded the motion, which passed unanimously.

The Board discussed pay for election officials during the 2024 Directors Election. Following discussion, Director Quintero moved to set the pay for election officials at \$18.00 per hour. Director Steinberg seconded the motion, which passed unanimously.

Ms. Carner discussed procedures related to the 2024 Directors Election. The Board considered a proposed Order Calling Directors Election for the May 4, 2024 election. Following review and discussion, Director Quintero moved to adopt the Order Calling Directors Election and direct that the Order be filed appropriately and retained in the District's official records. Director Steinberg seconded the motion, which passed unanimously.

Ms. Carner discussed that Notice of Election may be required to be posted or published and provided to the County Clerk and Voter Registrar of Harris County. After review and discussion, Director Quintero moved to authorize the Secretary's agent to post or publish and provide to the County Clerk and Voter Registrar Notice of Election, if required. Director Steinberg seconded the motion, which passed unanimously.

SECURITY MATTERS, INCLUDING REPORT FROM THE HCSO AND SECURITY COMMITTEE

Director Quintero updated the Board on the status of security in Towne Lake. She reviewed the introductory notice for the Towne Lake/MUD Security Committee, a copy of which is attached, which was distributed to Towne Lake residents. The Board also reviewed correspondence from the Towne Lake/MUD Security Committee regarding security patrol matters, a copy of which is attached.

The Board reviewed the security reports provided by the HOA and the HCSO for the month of January and directed that they be filed in the District's records. The Board also reviewed correspondence from the HCSO regarding radar signs, a copy of which is attached.

Director Ottmann discussed his attendance at an AWBD seminar regarding security presented by Today's Integration ("T.I."). He requested that EDP obtain a proposal from T.I. for security for the District's facilities. Director Quintero stated that the Towne Lake/MUD Security Committee should be involved in evaluating such a proposal.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS, INCLUDING BUDGET FOR FISCAL YEAR END MARCH 31, 2025

Ms. Kurtz reviewed with the Board the proposed District budget for the fiscal year ending March 31, 2025, a copy of which is attached to the bookkeeper's report. After discussion, the Board concurred to defer action on adopting the budget for the fiscal year ending March 31, 2025, pending further review and comment by the District's directors and consultants and the finalization of the Master District budget.

ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board concurred to table this agenda item until the next regular meeting.

ADDITIONAL OPERATIONAL MATTERS, INCLUDING PROPOSAL FOR ELECTRONIC SMART METERS AND PROPOSAL FOR TEXT AND AUTOMATED CALL ALERT SYSTEM

Ms. Benzman reviewed a proposal for the purchase and installation of electronic smart meters in the District, along with a proposed work authorization, copies of which are attached. Ms. Carner stated that, since the work authorization changes the terms of the underlying agreement with EDP, it would require a contract amendment. The Board then discussed contracting directly with Accurate Meter & Supply ("Accurate") for the purchase and installation of the smart meters. After further discussion, the

Board concurred to request EDP to coordinate with Accurate on a proposal and proposed contract for the purchase and installation of smart meters in the District.

Ms. Benzman stated that EDP is still working on proposals for the implementation of a text message and automated call alert system.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE

There was no discussion on this agenda item.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

There was no discussion on this agenda item.

ADDITIONAL ENGINEERING MATTERS, INCLUDING REVIEW BIDS AND AWARD CONTRACT FOR BARKER CYPRESS UTILITY EXTENSION PHASE 2 PROJECT

There was no discussion on this agenda item.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Mr. Crahan updated the Board on the status of development in Towne Lake. He reviewed a conceptual design plan for the new regional park, a copy of which is attached.

Ms. Gray introduced herself and stated that she is the new community manager for the Towne Lake HOA.

AUTHORIZE EXECUTION OF GENERAL CERTIFICATE IN CONNECTION WITH MASTER DISTRICT'S BOND SALE

The Board considered authorizing execution of the General Certificate in connection with the Master District's Series 2024A Contract Revenue Bonds (Water, Sewer, and Drainage Facilities) and Series 2024B Taxable Contract Revenue Bonds (Water, Sewer, and Drainage Facilities). Following review and discussion, Director Collins moved to authorize execution of the General Certificate in connection with the Master District's Series 2024A Contract Revenue Bonds (Water, Sewer, and Drainage Facilities) and Series 2024B Taxable Contract Revenue Bonds (Water, Sewer, and Drainage Facilities). Director Quintero seconded the motion, which passed unanimously.

AUTHORIZE EXECUTION OF RESOLUTION TO COMPLY WITH THE SECURITIES AND EXCHANGE COMMISSION RULE 15C2-12 IN CONNECTION WITH MASTER DISTRICT'S BOND SALE

The Board considered authorizing execution of a Resolution to Comply with the Securities and Exchange Commission Rule 15c2-12, whereby the District agrees to provide current financial information on an annual basis. Following review and discussion, Director Collins moved to authorize execution of the Resolution to Comply with the Securities and Exchange Commission Rule 15c2-12 in connection with the Master District's Series 2024A Contract Revenue Bonds (Water, Sewer, and Drainage Facilities) and Series 2024B Taxable Contract Revenue Bonds (Water, Sewer, and Drainage Facilities). Director Quintero seconded the motion, which passed unanimously.

REVIEW AND REVISE ACTION LIST

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

DISCUSS MEETING SCHEDULE

The Board discussed the regular meeting schedule for March.

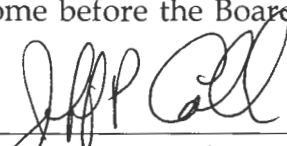
CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.076, TEXAS GOVERNMENT CODE, TO DELIBERATE THE DEPLOYMENT, OR SPECIFIC OCCASIONS FOR IMPLEMENTATION OF SECURITY PERSONNEL OR DEVICES, OR A SECURITY AUDIT

The Board convened in Executive Session at 12:30 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, Ms. Ramirez, and Ms. Morgan also were present.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

The Board reconvened in Open Session at 12:47 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.



Secretary, Board of Directors

(SEAL)



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