

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

March 12, 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 12th day of March, 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:

Jeffrey 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, thus constituting a quorum.

Also present at the meeting were Jennifer Vossler of McCall Gibson Swedlund Barfoot PLLC; 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 ("EHRA"); Brenda McLaughlin of Bob Leared Interests; and 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 Quintero 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 February 13, 2024, regular meeting; (2) the bookkeeper's report; (3) the tax assessor's report; (4) authorizing the District's auditor to prepare the District's audit for fiscal year end March 31, 2024; (5) the operator's report; and (6) the engineer's report. Director Steinberg seconded the motion, which passed unanimously. Copies of the bookkeeper's report, tax assessor's report, the audit continuance letter, 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. Leatherwood discussed procedures related to the District's 2024 Directors Election. She presented a Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors executed by the Board Secretary stating that the District received two candidate applications for the two director positions for the May 4, 2024, Directors Election. Following review and discussion, Director Steinberg moved to accept the Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors and direct that the Certificate be filed appropriately and retained in the District's official records. Director Quintero seconded the motion, which passed unanimously.

Ms. Leatherwood presented an Order Cancelling Election and Declaring Unopposed Candidates Elected to Office stating that the May 4, 2024, Directors Election is cancelled and that the unopposed candidates, Joanne Quintero and Jim Spackman, are declared elected to office to serve from the May 4, 2024, election until the May 6, 2028, Directors Election. Following review and discussion, Director Steinberg moved to adopt the Order Cancelling Election and Declaring Unopposed Candidates Elected to Office and direct that the Order be filed appropriately and retained in the District's official records. Director Quintero seconded the motion, which passed unanimously.

SECURITY MATTERS, INCLUDING REPORT FROM THE HARRIS COUNTY SHERIFF'S OFFICE AND SECURITY COMMITTEE

Director Quintero updated the Board on security matters in Towne Lake. She stated that new police vehicles are no longer being equipped with radar guns and the Towne Lake/MUD Security Committee is investigating potentially funding the radar guns for the Towne Lake officers.

The Board reviewed the security report provided by the Towne Lake Community Association, Inc. ("HOA") for the month of February, a copy of which is attached.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS, INCLUDING ADOPT 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 review and discussion, Director Spackman moved to adopt the budget for the fiscal year ending March 31, 2025, as presented. Director Quintero seconded the motion, which passed unanimously.

#### ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Ms. Leatherwood reviewed the various optional tax exemptions the District may offer its residents and noted that the District currently grants a 5% residential homestead exemption. The Board discussed adopting a Resolution Concerning Exemptions from Taxation for the 2024 tax year.

After review and discussion, Director Quintero moved to adopt the Resolution Concerning Exemptions From Taxation, which grants a 5% exemption for residential homesteads and declines to grant any exemptions for individuals who are over 65 or disabled in the District, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Spackman seconded the motion, which passed unanimously.

#### APPROVE DELINQUENT TAX REPORT

The Board discussed the delinquent tax account for FATL, LLC. Ms. McLaughlin stated that a delinquent tax statement has been mailed.

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

The Board reviewed a proposal for the purchase and installation of electronic smart meters in the District from Accurate Meter & Supply ("Accurate"). The Board also reviewed a proposed Services Agreement with Accurate Utility Supply, LLC.

Ms. Leatherwood then reviewed a Badger Meter Beacon AMA Managed Solution Master Agreement with Badger Meter, Inc., regarding software management for electronic water meters ("Agreement"). She discussed the Agreement, including provisions regarding authorized customers, disclaimer of warranties, service credits, caps on damages, limitations on liability/claims, and indemnity. Ms. Leatherwood also reviewed a memorandum from ABHR regarding the same, a copy of which is attached.

After review and discussion, Director Collins moved to: (1) approve the proposal for the purchase and installation of Badger electronic smart meters from Accurate; (2) approve the Services Agreement with Accurate Utility Supply, LLC; (3) approve the Badger Meter Beacon AMA Managed Solution Master Agreement with Badger Meter, Inc.; and (4) direct that the documents be filed appropriately and retained in the District's official records. Director Quintero seconded the motion, which passed unanimously.



HEARING ON TERMINATION OF WATER AND SEWER SERVICE

There was no discussion on this agenda item.

REVIEW DROUGHT CONTINGENCY PLAN AND ORDER ADOPTING AMENDED AND RESTATED DROUGHT CONTINGENCY PLAN

Ms. Leatherwood stated that the Texas Commission on Environmental Quality (“TCEQ”) rules require that the District review and adopt an Amended and Restated Drought Contingency Plan prior to May 1, 2024. The Board reviewed an Amended and Restated Drought Contingency Plan and discussed the work of the Drought Contingency Committee to streamline the plan and make it consistent among the municipal utility districts in the Service Area. After review and discussion, Director Quintero moved to adopt an Order Adopting Amended and Restated Drought Contingency Plan; Providing for Implementation and Enforcement Thereof; Providing Penalties for Violations; and Containing Other Provisions Related to the Subject and direct that the Order be filed appropriately and retained in the District’s official records. Director Steinberg seconded the motion, which passed unanimously.

REVIEW WATER CONSERVATION PLAN; APPROVE ANNUAL REPORT AND WATER CONSERVATION IMPLEMENTATION REPORT; ADOPT ORDER ADOPTING AMENDED AND RESTATED WATER CONSERVATION PLAN

The Board deferred action on this agenda item until the next regular Board meeting.

REVIEW EMERGENCY PREPAREDNESS PLAN (“EPP”) AND AUTHORIZE FILING OF UPDATES, IF NECESSARY

Ms. Leatherwood discussed the District’s EPP and requirements to file any updates with the TCEQ and other required entities. After discussion, Director Spackman moved to authorize EHRA and EDP to update the District’s EPP and submit the updated pages to all required entities, if necessary. Director Quintero seconded the motion, which passed unanimously.

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

Mr. Gaden stated that the District received three bids for construction of the Barker Cypress Utility Extension Phase 2 project. He recommended that the Board

award the contract to the low bidder, Double D Industries ("Double D"), in the amount of \$129,875.00. The Board concurred that, in its judgment, Double D was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

After review and discussion, Director Spackman moved to award the contract for construction of the Barker Cypress Utility Extension Phase 2 project to Double D in the amount of \$129,875.00, subject to receipt of payment and performance bonds and the certificate of insurance and endorsements, if any, provided by the contractor. Director Quintero seconded the motion, which passed unanimously.

The Board considered approving a Consent to Encroachment with CC TL Parkway 14, L.P. for the construction of certain improvements within the District's water line and sanitary sewer easements. After review and discussion, Director Spackman moved to approve the Consent to Encroachment with CC TL Parkway 14, L.P., subject to final review, and direct that the Consent be filed appropriately and retained in the District's official records. Director Quintero seconded the motion, which passed unanimously.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

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

REVIEW AND REVISE ACTION LIST

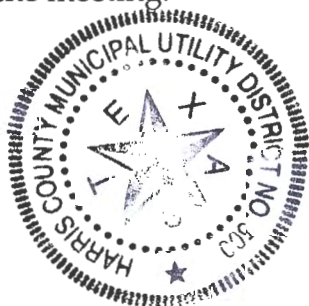
The Board reviewed the action list and noted items to be included and removed from the list.

OPERATOR'S REPORT (CONT'D)

Ms. Benzman reviewed pricing information from three companies for the implementation of a text message and automated call alert system, a copy of which is attached. After discussion, the Board took no action on the proposals.

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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