

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

September 10, 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 10th day of September, 2024, at the offices of Caldwell Companies, 9955 Barker Cypress Road, Suite 250, Cypress, Texas, inside 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 Collins, thus constituting a quorum.

Also present at the meeting were Lydia Morgan, member of the public; Peter Barnhart and Michael Crahan of Caldwell Companies; Angel Ruvalcaba of KGA/DeForest Design, LLC; Erik Scott of Storm Water Solutions, LLC; Lynn Kurtz of Myrtle Cruz, Inc.; Leslie Cook of RBC Capital Markets; Amanda Benzman of Inframark Water & Infrastructure Services ("Inframark"); 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 Spackman 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 13, 2024, 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 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.

SECURITY MATTERS, INCLUDING REPORT FROM THE HARRIS COUNTY SHERIFF'S OFFICE AND SECURITY COMMITTEE, APPROVE COST SHARING AGREEMENT FOR LAW ENFORCEMENT SERVICES AND LEGAL CONFLICTS WAIVER

Ms. Carner reminded the Board that ABHR also represents Harris County Municipal Utility District No. 501 ("HC 501") and Harris County Municipal Utility District No. 503 ("HC 503") and reviewed a legal conflicts waiver with respect to the preparation of a Cost Sharing Agreement for Law Enforcement Services among the District, HC 501, Harris County Municipal Utility District No. 502 ("HC 502"), HC 503, and the Towne Lake Community Association ("HOA"). Following review and discussion, and after consideration of all relevant matters, Director Quintero moved to approve the legal conflicts waiver. Director Spackman seconded the motion, which passed unanimously.

The Board then reviewed the proposed Cost Sharing Agreement for Law Enforcement Services among the District, HC 501, HC 502, HC 503, and the HOA. After review and discussion, Director Quintero moved to approve the Cost Sharing 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.

Ms. Morgan updated the Board on security matters in Towne Lake. The Board reviewed the security report for the month of August and directed that it be filed in the District's records.

DISCUSS 2024 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 2024 tax rate recommendation, a copy of which is attached, and recommended that the Board levy a 2024 total tax rate of \$0.88, comprised of \$0.055 per \$100 of assessed valuation to provide for the District's debt service requirements, \$0.55 to provide for the District's contract tax requirements, and \$0.275 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 Spackman moved to: (1) set the public hearing date for October 8, 2024; and (2) authorize the tax assessor/collector to publish

notice of the District's meeting on October 8, 2024, at 12:00 p.m., to set the proposed 2024 total tax rate of \$0.88 per \$100 of assessed valuation. Director Quintero seconded the motion, which passed unanimously.

DELINQUENT TAX REPORT

The Board discussed the District's delinquent tax roll. Ms. McLaughlin noted that all real property accounts have been paid and the remaining delinquent tax accounts are for personal property.

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

The Board deferred amending the budget for the fiscal year ending March 31, 2025, until the next regular meeting.

ADDITIONAL OPERATIONAL MATTERS

There was no discussion on this agenda item.

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 APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR BARKER CYPRESS UTILITY EXTENSION PHASE 2 PROJECT

Mr. Piercy updated the Board on the status of construction of the Barker Cypress Utility Extension Phase 2 project. He reviewed and recommended approval of Pay Estimate No. 3 and Final in the amount of \$4,535.15 and Change Order No. 1 to increase the contract in the amount of \$4,535.15, submitted by Double D Industries ("Double D"). Mr. Piercy stated that Change Order No. 1 is for sanitary and storm sewer modifications due to unforeseen field conditions. The Board determined that Change Order No. 1 is beneficial to the District. Mr. Piercy also recommended the Board accept the project.

After review and discussion, and based on the engineer's recommendation, Director Quintero moved to (1) approve Pay Estimate No. 3 and Final in the amount of \$4,535.15, to Double D; (2) approve Change Order No. 1 to increase the contract in the

amount of \$4,535.15, submitted by Double D, based on the Board's determination that the Change Order is beneficial to the District; and (3) accept the project. Director Steinberg 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.

DISCUSS ACTION LIST

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

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

(SEAL)




Asst. Secretary, Board of Directors

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