

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

February 11, 2025

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 11th day of February, 2025, at the Lakehouse, 10000 Towne Lake Parkway, Cypress, Texas, outside the boundaries of the District but inside the boundaries of the Service Area, 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 Leslie Cook of RBC Capital Markets; Bethany Gray of the Towne Lake Community Association, Inc. ("HOA"); 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.; Amanda Benzman of Inframark Water & Infrastructure Services; J.T. Gaden and Kenrick Piercy of EHRA Engineering ("EHRA"); and Katie Carner, Allison Leatherwood, and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board reviewed the minutes of the January 14, 2025, regular meeting. After review and discussion, Director Quintero moved to approve the minutes of January 14, 2025, regular meeting, as presented. Director Steinberg seconded the motion, which passed unanimously.

CONTRACT REVENUE BONDS (ROAD FACILITIES), SERIES 2025 MATTERS

Ms. Cook reviewed a Pricing Book for the sale of the District's \$5,470,000 Contract Revenue Bonds (Road Facilities), Series 2025 (the "Series 2025 Road Bonds"), a copy of which is attached.

REVIEW BIDS AND AWARD SALE OF THE DISTRICT'S SERIES 2025 ROAD BONDS

The Board considered review of the bids and award of the sale of the Series 2025 Road Bonds. Ms. Cook read the bids that had been received:

- (1) Robert W. Baird & Co., Inc. ("Baird"), with a net effective interest rate of 4.203271%;
- (2) Crews & Associates, Inc., with a net effective interest rate of 4.207538%;
- (3) Stifel, Nicolaus & Co., Inc., with a net effective interest rate of 4.211809%;
- (4) Duncan-Williams, Inc., with a net effective interest rate of 4.225255%;
- (5) SAMCO Capital Markets, with a net effective interest rate of 4.228173%;
- (6) HilltopSecurities, with a net effective interest rate of 4.238085%; and
- (7) Raymond James & Associates, Inc., with a net effective interest rate of 4.272404%.

The Board next considered award of the sale of the Series 2025 Road Bonds. Ms. Cook stated that the low bid submitted by Baird, with a net effective interest rate of 4.203271%, had been reviewed and all numbers checked and confirmed. She recommended that the District accept the bid of Baird, as submitted. After review and discussion, Director Quintero moved to award the sale of the Series 2025 Road Bonds to Baird, with a net effective interest rate of 4.203271%, as recommended. Director Spackman seconded the motion, which passed unanimously.

RESOLUTION AUTHORIZING THE ISSUANCE OF THE DISTRICT'S SERIES 2025 ROAD BONDS

The Board considered adopting a Resolution Authorizing the Issuance of the District's Series 2025 Road Bonds (the "Resolution"). Ms. Carner reviewed the proposed Resolution with the Board and explained that the document sets forth the terms and provisions of issuance and delivery of the Series 2025 Road Bonds, the payment of principal and interest over the life of the Series 2025 Road Bonds, and certain District covenants regarding the Series 2025 Road Bonds. After review and discussion, Director Quintero moved to adopt the Resolution and direct that it be filed appropriately and retained in the District's official records. Director Spackman seconded the motion, which passed unanimously.

PAYING AGENT/REGISTRAR AGREEMENT

The Board next considered execution of the Paying Agent/Registrar Agreement with The Bank of New York Mellon Trust Company, N.A. Ms. Carner stated that the Paying Agent/Registrar Agreement sets forth the provisions by which the paying agent/registrar will handle registration, transfer, and payment of the District's Series 2025 Road Bonds. After discussion, Director Quintero moved to approve the Paying Agent/Registrar Agreement with The Bank of New York Mellon Trust Company, N.A. and direct that the agreement be filed appropriately and retained in the District's official records. Director Spackman seconded the motion, which passed unanimously.

The Board reviewed correspondence from The Bank of New York Mellon Trust Company, N.A. regarding an erroneous payment inadvertently made from the District's debt service fund, a copy of which is attached.

OFFICIAL STATEMENT

The Board next considered approving the Official Statement. Ms. Carner explained that the Preliminary Official Statement would be revised to reflect the terms of this sale, including the purchaser, interest rates and debt service requirements. After discussion, Director Quintero moved to approve the Official Statement and direct that it be filed appropriately and retained in the District's official records. Director Spackman seconded the motion, which passed unanimously.

EXECUTION OF CERTIFICATE REGARDING PROVISION OF FINANCIAL ADVICE

Ms. Carner reviewed with the Board a Certificate Regarding Provision of Financial Advice (the "Certificate"). After review and discussion, Director Quintero moved to authorize execution of the Certificate and direct that it be filed appropriately and retained in the District's official records. Director Spackman seconded the motion, which passed unanimously.

EXECUTION OF DOCUMENTS RELATED TO DISTRICT'S 2025 ROAD BONDS

Ms. Carner next explained that there will be various documents related to delivery of the Series 2025 Road Bonds requiring execution by the directors prior to closing. She requested that the Board authorize the President or Vice President and Secretary or Assistant Secretary to execute documents necessary in connection with the transaction and authorize the District's attorney and financial advisor to take all necessary action to deliver the Series 2025 Road Bonds to the purchaser. After discussion, Director Quintero moved to authorize execution of documents related to the sale and delivery of the Series 2025 Road

Bonds and authorize the District's attorney and financial advisor to take all necessary action to deliver the Series 2025 Road Bonds. Director Spackman seconded the motion, which passed unanimously.

APPROVE PAYMENT TO ATTORNEY GENERAL RELATING TO BOND ISSUE TRANSCRIPT REVIEW

The Board considered approving payment to the Attorney General relating to the Series 2025 Road bond issue transcript review. After discussion, Director Quintero moved to approve payment to the Attorney General relating to the bond issue transcript review. Director Spackman seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Kurtz reviewed the bookkeeper's report, a copy of which is attached, and submitted the bills for the Board's review. She also requested the Board approve additional check no. 6232 in the amount of \$1,362.80, payable to Director Collins.

After review and discussion, Director Spackman moved to approve the bookkeeper's report and the payments presented, including check no. 6232 as detailed above. Director Quintero seconded the motion, which passed unanimously.

Ms. Kurtz reviewed a draft budget for the Master District's fiscal year ending March 31, 2026, a copy of which is attached to the bookkeeper's report. The Board discussed revisions to the proposed budget, including possible changes to the monthly connection fee. After review and discussion, Director Collins moved to authorize the directors attending the Master District budget workshop to propose a monthly connection fee of up to \$37.50. Director Steinberg seconded the motion, which passed unanimously.

After discussion, the Board concurred to defer action on adopting the budget for the fiscal year ending March 31, 2026, until after the Master District budget workshop scheduled for February 21, 2025.

The Board reviewed the interim arbitrage rebate reports for the District's \$5,610,000 Contract Revenue Bonds (Water, Sewer, and Drainage Facilities), Series 2014 and \$7,410,000 Contract Revenue Bonds (Road Facilities), Series 2019, noting that there were no payments owed to the Internal Revenue Service.

LANDSCAPE ARCHITECT'S REPORT

Mr. Ruvalcaba reviewed the landscape architect's report, a copy of which is attached.

Mr. Ruvalcaba updated the Board on the status of design of the landscape improvements for the drill site located south of Tuckerton Road, including coordination with the Parks Committee.

After review and discussion, the Board concurred to accept the landscape architect's report.

OPERATION OF DISTRICT FACILITIES

Ms. Benzman presented the operator's report, a copy of which is attached. She reported on routine maintenance and repair items in the Service Area.

After review and discussion, Director Steinberg moved to approve the operator's report. Director Collins seconded the motion, which passed unanimously.

REPORT ON STORMWATER FACILITIES MAINTENANCE AND REPAIRS

Mr. Scott reviewed the report on maintenance of the District's stormwater facilities, a copy of which is attached.

Mr. Scott reviewed the drone inspection report for the regional detention facilities, copy of which is attached.

DISCUSS LAKE MANAGEMENT AND MAINTENANCE

WILDLIFE MANAGEMENT, INCLUDING REPORT FROM A ALL ANIMAL CONTROL ("AAAC")

The Board discussed the status of wildlife management in the District, including wildlife monitoring and trapping, and reviewed a report from AAAC for January, a copy of which is attached.

The Board reviewed correspondence from the HOA regarding the enforcement of the District's rules regarding feeding wildlife, a copy of which is attached. After discussion, the Board concurred to authorize ABHR to send correspondence to the property owner regarding the matter.

EROSION, DREDGING, AND WATER QUALITY

There was no discussion on this agenda item.

REPORT FROM HOA REGARDING LAKE AND LANDSCAPE MAINTENANCE MATTERS

There was no discussion on this agenda item.

CONVENE IN EXECUTIVE SESSION TO CONSULT WITH ATTORNEY, PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

The Board convened in Executive Session at 1:35 p.m. pursuant to Section 551.071 of the Texas Government Code to conduct a private consultation with their attorney. Ms. Carner, Ms. Leatherwood, Ms. Ramirez, Mr. Gaden, and Mr. Piercy also were present. Ms. Carner requested the presence of Mr. Gaden and Mr. Piercy in this Executive Session in order for the Board to obtain the necessary legal advice from its attorney, and the Board concurred to have them present.

Director Spackman left the meeting at 2:00 p.m.

Mr. Gaden and Mr. Piercy exited Executive Session at 2:11 p.m.

RECONVENE IN OPEN SESSION

The Board reconvened in Open Session at 2.28 p.m. No action was taken by the Board.

ENGINEERING MATTERS

Mr. Piercy reviewed the engineer's report, a copy of which is attached.

GRADE SEPARATION AT UNION PACIFIC RAILROAD AND INTERSECTION IMPROVEMENTS AT HIGHWAY 290 ("UPRR/HIGHWAY 290 PROJECT")

Mr. Piercy and Ms. Carner updated the Board on the status of design of the UPRR/Highway 290 project, including the project schedule.

Ms. Carner updated the Board on the status of the increased project funding request to the Houston-Galveston Area Council.

Ms. Carner updated the Board on the status of the utility relocations for the UPRR/Highway 290 project.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR THE WASTEWATER TREATMENT PLANT NO. 1 EXPANSION, PHASE 4 AND ACCESS ROAD IMPROVEMENTS

Mr. Piercy updated the Board on the status of design of the wastewater treatment plant no. 1 expansion, phase 4 and access road improvements project.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR THE HOODED GREENHOUSE ROAD LEFT TURN LANE SOUTH OF CYPRESS NORTH HOUSTON

Mr. Piercy updated the Board on the status of design of the hooded Greenhouse Road left turn lane south of Cypress North Houston.

RESERVOIR DREDGING PHASE ONE

Mr. Piercy updated the Board on the status of the bathymetric survey for the lake dredging project.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR THE WASTEWATER TREATMENT PLANT NO. 1 EMERGENCY GENERATOR

Mr. Piercy updated the Board on the status of construction of the wastewater treatment plant no. 1 emergency generator project. He reviewed and recommended approval of Change Order No. 1 to increase the contract in the amount of \$68,400.00, submitted by McDonald Municipal and Industrial ("McDonald"). Mr. Piercy stated that Change Order No. 1 is for items related to relocation of the generator pad site. The Board determined that Change Order No. 1 is beneficial to the District.

Mr. Piercy also reviewed and recommended approval of a proposal in the amount of \$4,265.00, submitted by Ninyo & Moore ("N&M"), for construction materials testing and observation services.

After review and discussion, and based on the engineer's recommendation, Director Quintero moved to (1) approve Change Order No. 1 to increase the contract in the amount of \$68,400.00, submitted by McDonald, based on the Board's determination that the Change Order is beneficial to the District; and (2) approve the proposal in the amount of \$4,265.00, submitted N&M. Director Steinberg seconded the motion, which passed by a vote of 4-0 with Director Spackman absent from the meeting.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR THE LAKE EROSION REHABILITATION PROJECT

Mr. Piercy updated the Board on the status of construction of the lake erosion rehabilitation project. He reviewed and recommended approval of Pay Estimate No. 4 in the amount of \$103,815.00, submitted by Double Oak.

After review and discussion, Director Quintero moved to approve Pay Estimate No. 4 in the amount of \$103,815.00 to Double Oak, as recommended. Director Steinberg seconded the motion, which passed by a vote of 4-0 with Director Spackman absent from the meeting.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR CONSTRUCTION OF WASTEWATER TREATMENT PLANT NO. 2

Mr. Piercy updated the Board on the status of construction of wastewater treatment plant no. 2. He reviewed a timeline for the power release for the plant and discussed the project delays. Discussion ensued. Mr. Piercy had no action items from C4 Partners.

PROPOSAL FOR WATER PLANT AND LIFT STATION COATING INSPECTIONS

Mr. Piercy reviewed a proposal in the amount of \$8,980.00, submitted by Preventive Services, for water plant and lift station coating inspections.

After review and discussion, and as recommended by the engineer, Director Quintero moved to approve the proposal in the amount of \$8,980.00, submitted by Preventive Services. Director Steinberg seconded the motion, which passed by a vote of 4-0 with Director Spackman absent from the meeting.

DISCUSS OPTIONS FOR WATER REUSE, INCLUDING REPORT FROM REUSE COMMITTEE

There was no discussion on this agenda item.

APPROVE CAPACITY RESERVATIONS AND UTILITY COMMITMENT LETTERS

There was no discussion on this agenda item.

CONVEYANCE OF EASEMENTS/DEEDS; ABANDONMENT OF EASEMENT; CONSENTS TO ENCROACHMENT

The Board considered authorizing acceptance of a storm sewer easement from CW SCOA West, L.P., a storm sewer easement from the HOA, and a storm sewer easement from CC TL Retail, L.P. (collectively, the "Easements").

Ms. Carner reviewed a partial abandonment of a storm sewer easement owned by the District. Mr. Gaden stated EHRA recommends partially abandoning the easement as a section of it is no longer required.

After review and discussion, Director Quintero moved to (1) authorize acceptance of the Easements; (2) approve the partial abandonment; and (3) direct that the Easements and partial abandonment be filed appropriately and retained in the District's official records. Director Collins seconded the motion, which passed by a vote of 4-0 with Director Spackman absent from the meeting.

The Board reviewed correspondence from the H. Towne Lake Community Association, Inc. regarding the drill site adjacent to East Highlands Bayou, a copy of which is attached.

UPDATE ON PREPARATION OF PARK BOND APPLICATION NO. 2

There was no discussion on this agenda item.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

There was no discussion on this agenda item.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

There was no discussion on this agenda item.

REPORTS FROM DISTRICT CONSULTANTS REGARDING DISTRICT
CORRESPONDENCE AND PROVISION OF RECORDS

The Board reviewed correspondence from Liberty Mutual Holding Company Inc., 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.

DISCUSS MEETING SCHEDULE

The Board discussed the regular meeting schedule for March. After discussion, the Board concurred to reschedule the meeting for March 5, 2025, at 12:00 p.m. at the offices of Caldwell Companies.

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

(SEAL)




Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Pricing Book.....	1
Correspondence from The Bank of New York Mellon Trust Company, N.A.	3
Bookkeeper’s report.....	4
Landscape architect’s report.....	4
Operator’s report.....	5
Storm Water Solutions’ report	5
Drone inspection report	5
Report from AAAC.....	5
Correspondence from the HOA.....	5
Engineer’s report.....	6
Correspondence from the H. Towne Lake Community Association, Inc.....	8
Correspondence from Liberty Mutual Holding Company Inc.	9