

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

September 5, 2018

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 5<sup>th</sup> day of September, 2018, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Colette Garcia	President
Marilyn Roberts	Vice President
Saundra Dahlke	Secretary
Jeffrey D. Ottmann	Assistant Secretary
Joanne E. Quintero	Assistant Vice President

and all of the above were present except Director Garcia, thus constituting a quorum.

Also present at the meeting were Lee Markiewicz and Tom Russell, members of the public; Brian Moss and Alex Nuñez of A All Animal Control ("A All Animal"); Rose Montalbano of F. Matuska, Inc.; Allyson Snyder of Porter & Hedges LLP; Michael Ammel of Environmental Development Partners, LLC ("EDP"); Amy Downhour and Truman Edminster of Edminster Hinshaw Russ and Associates, Inc. ("EHRA"); Brenda McLaughlin of Bob Leared Interests; Robert DeForest of KGA DeForest Design, LLC ("KGA"); Kent Puckett and Jason Flagg of Caldwell Companies; Matt Dustin, Loren Morales, and Austin Swenson of RBC Capital Markets; and Alia Vinson, Katie Carner, and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Mr. Markiewicz addressed the Board regarding the Towne Lake triathlon. He stated that there were numerous complaints from residents regarding early morning noise and blocked access to the lake.

Mr. Markiewicz inquired why the District's \$10,500,000 Taxable Contract Revenue Bonds (Water, Sewer, and Drainage Facilities), Series 2018 ("Series 2018 Bonds") are issued as taxable bonds as opposed to tax exempt bonds. Ms. Vinson stated that item will be discussed under agenda item no. 4.

Mr. Markiewicz addressed the Board regarding the landscape appraisal referenced in the developer reimbursement report prepared by the District's auditor, which was used to reimburse the developer from the proceeds of the District's \$9,635,000 Contract Revenue Bonds (Road Facilities), Series 2018. He inquired why the

project was reimbursed based on an appraised value as opposed to the actual costs of the project plus developer interest. Ms. Vinson stated that the Texas Commission on Environmental Quality ("TCEQ") requires an appraisal for projects that were not competitively bid. Ms. Carner stated that the auditor reconciles the developer's actual costs with the appraised value, noting that the developer does not get reimbursed for more money than was actually expended on the project and the developer does not receive reimbursement for any developer interest for projects that were not competitively bid.

Mr. Markiewicz stated he is still concerned about the independence of the District's auditor, McCall Gibson Swedlund Barfoot PLLC ("McCall"). He inquired whether the District's auditor will reissue the District's annual audit with a note disclosing McCall's lease agreement with Caldwell Companies. Ms. Vinson stated that item will be discussed under agenda item no. 7.

#### APPROVE MINUTES

The Board reviewed the minutes of the August 1, 2018, regular meeting and August 22, 2018, special meeting. After review and discussion, Director Quintero moved to approve the minutes of the August 1, 2018, regular meeting and August 22, 2018, special meeting, both as submitted. The motion was seconded by Director Ottmann, which passed by unanimous vote.

#### FINANCIAL AND BOOKKEEPING MATTERS

Ms. Montalbano presented the bookkeeper's report and submitted the bills for the Board's review. A copy of the bookkeeper's report is attached.

Director Ottmann requested Storm Water Solutions, Inc. provide the Board with a monthly report regarding work performed during the month. Ms. Downhour stated she would request that information and include it in the monthly engineer's reports.

After review and discussion, Director Ottmann moved to approve the bookkeeper's report and the payments presented. Director Dahlke seconded the motion, which passed by unanimous vote.

#### TAXABLE CONTRACT REVENUE BONDS (WATER, SEWER, AND DRAINAGE FACILITIES), SERIES 2018

In response to a previous inquiry, Ms. Vinson discussed the tax status for the bonds for the regional detention facilities' reservoir function.

## REVIEW BIDS AND AWARD SALE OF THE DISTRICT'S SERIES 2018 BONDS

The Board considered review of the bids and award of the sale of the Series 2018 Bonds. Mr. Dustin read the bids that had been received:

- (1) SAMCO Capital Markets ("SAMCO"), with a net effective interest rate of 4.113960%;
- (2) HilltopSecurities, with a net effective interest rate of 4.377408%;
- (3) Robert W. Baird & Co., Inc., with a net effective interest rate of 4.425939%;  
and
- (4) Raymond James & Associates, Inc., with a net effective interest rate of 4.479406%.

The Board next considered award of the sale of the Series 2018 Bonds. Mr. Dustin stated that the low bid submitted by SAMCO, with a net effective interest rate of 4.113960%, had been reviewed and all numbers checked and confirmed. He recommended that the District accept the bid of SAMCO, as submitted. Director Quintero moved to award the sale of the Series 2018 Bonds to SAMCO, with a net effective interest rate of 4.113960%, as recommended. Director Ottmann seconded the motion, which carried unanimously.

## RESOLUTION AUTHORIZING THE ISSUANCE OF THE DISTRICT'S SERIES 2018 BONDS

The Board next considered adopting a Resolution Authorizing the Issuance of the District's Series 2018 Bonds ("Resolution"). Ms. Vinson 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 2018 Bonds, the payment of principal and interest over the life of the Series 2018 Bonds, and certain District covenants regarding the Series 2018 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 Ottmann seconded the motion, which was approved by unanimous vote.

## 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. Vinson 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 2018 Bonds. Director Quintero moved to approve the Paying Agent/Registrar Agreement with The Bank of New York

Mellon Trust Company, N.A. Director Ottmann seconded the motion, which carried unanimously.

#### OFFICIAL STATEMENT

The Board next considered approving the Official Statement. Ms. Vinson 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. Director Ottmann seconded the motion, which was approved by unanimous vote.

#### EXECUTION OF CERTIFICATE REGARDING PROVISION OF FINANCIAL ADVICE

Ms. Vinson 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 Ottmann seconded the motion, which passed by unanimous vote.

#### EXECUTION OF DOCUMENTS RELATED TO DISTRICT'S SERIES 2018 BONDS

Ms. Vinson next explained that there will be various documents related to delivery of the 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 2018 Bonds to the purchaser. Director Quintero moved to authorize execution of documents related to the sale and delivery of the Series 2018 Bonds and authorize the District's attorney and financial advisor to take all necessary action to deliver the Series 2018 Bonds. Director Ottmann seconded the motion, which was approved by unanimous vote.

#### APPROVE CHECK TO ATTORNEY GENERAL RELATING TO BOND ISSUE TRANSCRIPT REVIEW

The Board considered approving the check to the Attorney General relating to bond issue transcript review. Upon a motion made by Director Quintero and seconded by Director Ottmann, the Board voted unanimously to approve the check to the Attorney General relating to the bond issue transcript review.

## DISCUSS MONTHLY CONNECTION FEES AND REGIONAL WATER AUTHORITY FEES

The Board discussed the letter sent to the Participant districts, a copy of which is attached, regarding the Master District's intent to separate out the West Harris County Regional Water Authority ("WHCRWA") groundwater pumpage and surface water fees from the monthly per connection charges and bill the fees to each Participant based on its actual water usage plus an additional 5% for flushing and other non-metered water usage. The Board discussed the initial feedback from some of the Participant districts regarding the possibility of annually adjusting the additional amount based upon actual water loss. After discussion, the Board confirmed its intention, beginning with its fiscal year ending March 31, 2020, to bill each Participant district monthly based upon that Participant's actual water usage plus an additional 5% for flushing and other non-metered water usage.

## REPORT ON SECURITY MATTERS AND DISCUSS SECURITY CONTRACT MATTERS

There was no discussion on this matter.

## DISCUSS CONTRACT FOR AUDITING SERVICES, INCLUDING REVIEW OF CORRESPONDENCE FROM AUDITOR

The Board reviewed correspondence from the District's auditor, McCall, a copy of which is attached. The Board deferred discussion on this matter until executive session.

## OPERATION OF DISTRICT FACILITIES

Mr. Ammel presented the operator's report, a copy of which is attached. He reported on routine maintenance and repair items in the District.

Director Ottmann reported on an elevated manhole along a section of sidewalk within the Service Area. Mr. Ammel reported that EDP is still gathering information, but confirmed that the District owns the manhole. Discussion ensued. The Board deferred action on this matter to the next meeting, pending receipt of additional information.

Following discussion, Director Ottmann moved to approve the operator's report. Director Dahlke seconded the motion, which carried unanimously.

HURRICANE HARVEY RELATED MATTERS, INCLUDING STATUS OF DISTRICT FACILITIES AND OPERATIONS AND APPROVAL OF ANY RELATED AGREEMENTS AND APPLICATIONS FOR FINANCIAL ASSISTANCE

Mr. Ammel updated the Board on the status of the District's application for financial assistance with the Federal Emergency Management Agency ("FEMA"), as reflected in his report. He stated that FEMA has approved disbursement of approximately \$10,000 in financial assistance thus far, and the remaining claims are still being processed.

DISCUSS LAKE MANAGEMENT AND MAINTENANCE

WILDLIFE MANAGEMENT, INCLUDING REPORT AND PROPOSALS FROM A ALL ANIMAL CONTROL

Mr. Moss updated the Board on the status of wildlife management in the District, including alligator and beaver removal. He discussed the various sightings and removal efforts. Discussion ensued.

EROSION, DREDGING, AND WATER QUALITY

Ms. Vinson reminded the Board that, as discussed at the special meeting held on August 22, 2018, the District has not commenced a lake dredging project at this time.

LAKE ACCESS AND RULES

The Board reviewed correspondence from the Towne Lake Community Association ("HOA"), a copy of which is attached, regarding clean up after the Towne Lake Triathlon.

Ms. Vinson stated the HOA has not yet finalized the HOA's lake rules.

ENGINEERING MATTERS, INCLUDING ALTERNATE WATER SUPPLY SOURCES

Ms. Downhour presented an engineer's report from EHRA, a copy of which is attached, and reviewed it with the Board.

Ms. Downhour noted the phone number residents can call to report potential Storm Water Pollution Prevention Plan ("SWPPP") violations to Harris County, the enforcement agency for SWPPPs in Harris County.

Ms. Downhour updated the Board on EHRA's investigation into alternate water supply sources, including potential interconnects and water supply agreements. She requested the Board authorize EHRA and ABHR to begin discussions with Remington Municipal Utility District No. 1 ("Remington") in regards to a potential Interconnect

Agreement for a second interconnect, in order to provide the Board with a cost estimate. After review and discussion, Director Dahlke moved to authorize EHRA and ABHR to begin discussions with Remington regarding a potential Interconnect Agreement for a second interconnect. Director Quintero seconded the motion, which passed by unanimous vote.

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

Ms. Downhour updated the Board on the status of the UPRR/Highway 290 project, including efforts to obtain additional sources of funding.

APPROVE SUBMERGED STORM SEWER AGREEMENTS, MAINTENANCE AGREEMENTS, AND STORM WATER SOLUTIONS, LP AGREEMENT

There was no discussion on this matter.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS

The Board deferred approval of plans and specifications and authorizing advertisement for bids for the following construction projects: (1) detention 1L, Phase 2; and (2) detention 1K, Phase 2.

REVIEW BIDS AND AWARD CONTRACT FOR REPAIR OF TIE-BACK WALLS

The Board deferred award of contract for repair of tie-back walls.

REVIEW BIDS AND AWARD CONTRACT FOR DREDGING OF RESERVOIRS (PHASE ONE)

The Board deferred award of contract for dredging of reservoirs (phase one), pending approval by the TCEQ of a change in scope/surplus funds application.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR WATER PLANT NO. 2

Ms. Downhour updated the Board on the status of construction of water plant no. 2. She reviewed and recommended approval of Pay Estimate Nos. 3 and 4 in the amounts of \$259,920 and \$339,685.20, respectively, and Change Order No. 1 to increase the contract in the amount of \$10,000, submitted by W.W. Payton Corporation. The Board determined that Change Order No. 1 is beneficial to the District. After review and discussion, and based on the engineer's recommendation, Director Dahlke moved to (1) approve Pay Estimate Nos. 3 and 4 in the amounts of \$259,920 and \$339,685.20,

respectively, submitted by W.W. Payton Corporation; and (2) approve Change Order No. 1 to increase the contract in the amount of \$10,000, submitted by W.W. Payton Corporation, based upon the Board's finding that the Change Order is beneficial to the District and the engineer's recommendation. Director Quintero seconded the motion, which passed by unanimous vote.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR DETENTION 1J, PHASE 2

Ms. Downhour updated the Board on the status of construction of the detention 1J, Phase 2 project. She stated that she had no pay estimates from R&T Ellis Excavating, Inc. for the Board's approval.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR THE WATER RE-PUMP AND STORAGE FACILITY NO. 1 EXPANSION

Ms. Downhour updated the Board on the status of the water re-pump and storage facility no. 1 expansion. She reviewed and recommended approval of Pay Estimate No. 10 in the amount of \$4,750, submitted by Quadvest Construction, L.P. After review and discussion, Director Dahlke moved to approve Pay Estimate No. 10 in amount of \$4,750, as recommended. Director Quintero seconded the motion, which passed by unanimous vote.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR TOWNE LAKE PARKWAY, SEGMENT ONE (FROM GREENHOUSE ROAD TO CYPRESS NORTH HOUSTON)

Ms. Downhour updated the Board on the status of Towne Lake Parkway, Segment One (from Greenhouse Road to Cypress North Houston). She stated that she had no pay estimates from Hassell Construction Company, Inc. for the Board's approval.

CYPRESS NORTH HOUSTON SECTION 1 PAVING REPAIRS, SIDEWALK EXTENSION, AND ACCESS RAMPS

The Board deferred discussion on this matter to executive session.

CYPRESS NORTH HOUSTON S SECTION 2 PAVING REPAIRS

The Board deferred discussion on this matter to executive session.

CYPRESS NORTH HOUSTON BRIDGE

The Board deferred discussion on this matter to executive session.



REPAIRS TO 24-INCH SANITARY SEWER LINE NEAR TOWNE LAKE PARKWAY AND TUCKERTON ROAD

The Board deferred discussion on this matter to executive session.

APPROVE CAPACITY RESERVATION REQUESTS

There was no discussion on this matter.

WHCRWA MATTERS

Ms. Downhour updated the Board on the status of the District's request to the WHCRWA for an increase in surface water commitment for water plant no. 1 and the request for a surface water commitment for water plant no. 2. The Board reviewed a letter from the WHCRWA, a copy of which is attached to the engineer's report, in regards to the District's requests. The Board discussed funding options for the District's share of the cost of the WHCRWA transmission line needed to deliver water to water plant no. 2.

UPDATE ON BOND APPLICATION AND SURPLUS FUNDS/CHANGE IN SCOPE APPLICATION

Ms. Downhour updated the Board on the status of preparation of bond application no. 9.

Ms. Downhour updated the Board on the status of the surplus funds/change in scope application for lake dredging.

The Board considered authorizing EHRA to include in the previously authorized surplus funds application funds for the District's pro-rata share of the WHCRWA surface water transmission line to serve water plant no. 2. After review and discussion, Director Ottmann moved to authorize EHRA to prepare the surplus funds application. Director Dahlke seconded the motion, which passed by unanimous vote.

Director Ottmann inquired whether the District sent a response letter to Harris County Municipal Utility District No. 501's ("HC 501") letter regarding the security of the regional water supply. After discussion, the Board requested EHRA send a response letter to HC 501 regarding the District's efforts to secure the regional water supply.

CONVEYANCE OF EASEMENTS/DEEDS; ABANDONMENT OF EASEMENT; ENVIRONMENTAL PROPOSALS

Ms. Carner reviewed an electric easement from the District to CenterPoint Energy for the water plant no. 2 site. After review and discussion, Director Dahlke

moved to authorize execution of an electric easement to CenterPoint Energy, subject to final ABHR review, and direct that the easement be filed appropriately and retained in the District's official records. Director Quintero seconded the motion, which passed by unanimous vote.

The Board considered approving a proposal in the amount of \$2,600 from Berg Oliver Associates, Inc. ("Berg Oliver") for a Phase I Environmental Site Assessment for tracts within Detention 1J to be conveyed to the District. After discussion, Director Dahlke moved to approve the proposal from Berg Oliver in the amount of \$2,600. Director Quintero seconded the motion, which carried unanimously.

#### LANDSCAPE ARCHITECT'S REPORT

Mr. DeForest then reviewed the landscape architect's report from KGA, a copy of which is attached. He reviewed a task order in the amount of \$25,250 for an appraisal of certain facilities constructed on behalf of the District. After review and discussion, Director Ottmann moved to approve the task order, subject to final review, and direct that the task order be filed appropriately and retained in the District's official records. Director Quintero seconded the motion, which passed by unanimous vote.

#### APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR GREENHOUSE ROAD, SEGMENT SIX

The Board deferred approval of plans and specifications and authorizing advertisement for bids for Greenhouse Road, Segment Six.

#### REVIEW BIDS AND AWARD CONTRACT FOR GREENHOUSE ROAD, SEGMENT FIVE HARDSCAPE IMPROVEMENTS

Mr. DeForest reported that the District received two bids for the Greenhouse Road, Segment Five hardscape improvements. He recommended that the Board award the contract to Texas Wall and Landscapes, LLC ("Texas Wall"), in the amount of \$627,726.40. The Board concurred that, in its judgment, Texas Wall was a responsible bidder who would be the most advantageous to the District and would result in the best and most economical completion of the District's facilities. Following review and discussion, Director Ottmann moved to award the contract for the Greenhouse Road, Segment Five hardscape improvements to Texas Wall in the amount of \$627,726.40, based on the landscape architect's recommendation and subject to approval of the payment and performance bonds and review of the certificate of insurance and endorsements provided by the contractor. Director Quintero seconded the motion, which passed by unanimous vote.

REVIEW BIDS AND AWARD CONTRACT FOR GREENHOUSE ROAD, SEGMENT FIVE LANDSCAPE IMPROVEMENTS

Mr. DeForest reported that the District received four bids for the Greenhouse Road, Segment Five landscape improvements. He recommended that the Board award the contract to Classic Irrigation & Landscape, LLC ("Classic"), in the amount of \$685,065.79. The Board concurred that, in its judgment, Classic was a responsible bidder who would be the most advantageous to the District and would result in the best and most economical completion of the District's facilities. Following review and discussion, Director Ottmann moved to award the contract for the Greenhouse Road, Segment Five landscape improvements to Classic in the amount of \$685,065.79, based on the landscape architect's recommendation and subject to approval of the payment and performance bonds and review of the certificate of insurance and endorsements provided by the contractor. Director Quintero seconded the motion, which passed by unanimous vote.

TRAILS, TREES, AND SIDEWALKS

There was no discussion on this matter.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR TOWNE LAKE DETENTION 1H ADDITIONAL TREES

Mr. DeForest updated the Board on the status of the Towne Lake Detention 1H additional trees. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$5,850 and Change Order No. 1 to decrease the contract in the amount of \$91,518, submitted by Allgreen Associates. The Board determined that Change Order No. 1 is beneficial to the District. After review and discussion, Director Ottmann moved to (1) approve Pay Estimate No. 1 in the amount of \$5,850, as recommended; and (2) approve Change Order No. 1 to decrease the contract in the amount of \$91,518, submitted by Allgreen Associates, based upon the Board's finding that the Change Order is beneficial to the District and the landscape architect's recommendation. Director Quintero seconded the motion, which passed by unanimous vote.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR GREENHOUSE ROAD, SEGMENT THREE, PHASE 1 (SOUTH) HARDSCAPE IMPROVEMENTS

Mr. DeForest updated the Board on the status of the Greenhouse Road, Segment Three, Phase 1 (South) hardscape improvements. He stated the project is complete and recommended that the Board accept the project for maintenance. After review and discussion, Director Ottmann moved to accept the project for maintenance, as recommended. Director Quintero seconded the motion, which passed unanimously.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR GREENHOUSE ROAD, SEGMENT THREE, PHASE 2 (NORTH) HARDSCAPE IMPROVEMENTS

Mr. DeForest updated the Board on the status of the Greenhouse Road, Segment Three, Phase 2 (North) hardscape improvements. He reviewed and recommended approval of Change Order Nos. 2 and 3 to increase the contract in the amounts of \$10,027.25 and \$1,342, respectively, submitted by Strickscapes, Inc. The Board determined that Change Order Nos. 2 and 3 are beneficial to the District. After review and discussion, Director Ottmann moved to approve Change Nos. 2 and 3 to increase the contract in the amounts of \$10,027.25 and \$1,342, respectively, submitted by Strickscapes, Inc., based upon the Board's finding that the Change Orders are beneficial to the District and based upon the landscape architect's recommendation. Director Quintero seconded the motion, which passed by unanimous vote.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR GREENHOUSE ROAD, SEGMENT FOUR LANDSCAPE IMPROVEMENTS

The Board deferred discussion on this matter to executive session.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR CYPRESS NORTH HOUSTON ROAD, SEGMENT THREE LANDSCAPE IMPROVEMENTS

Mr. DeForest updated the Board on the status of the Cypress North Houston Road, Segment Three landscape improvements. He stated that KGA had no pay estimates from Classic Irrigation & Landscape, LLC for the Board's approval.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR CYPRESS NORTH HOUSTON ROAD, SEGMENT THREE HARDSCAPE IMPROVEMENTS

Mr. DeForest updated the Board on the status of the Cypress North Houston Road, Segment Three hardscape improvements. He reviewed and recommended approval of Change Order Nos. 3 and 4 to increase the contract in the amounts of \$1,738.13 and \$5,332.48, respectively, submitted by Strickscapes, Inc. The Board determined that Change Order Nos. 3 and 4 are beneficial to the District. After review and discussion, Director Ottmann moved to approve Change Order Nos. 3 and 4 to increase the contract in the amounts of \$1,738.13 and \$5,332.48, respectively, submitted by Strickscapes, Inc., based upon the Board's finding that the Change Orders are beneficial to the District and based upon the landscape architect's recommendation. Director Quintero seconded the motion, which passed by unanimous vote.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR SECTION 43/46 PARK LANDSCAPE IMPROVEMENTS

Mr. DeForest updated the Board on the status of the Section 43/46 park landscape improvements. He reviewed and recommended approval of Pay Estimate Nos. 3 and 4 in the amounts of \$119,393.04 and \$35,865.96, respectively, submitted by Classic Irrigation & Landscape, LLC. After review and discussion, Director Ottmann moved to approve Pay Estimate Nos. 3 and 4 in the amounts of \$119,393.04 and \$35,865.96, respectively, as recommended. Director Quintero seconded the motion, which passed unanimously.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR SECTION 43/46 PARK HARDSCAPE IMPROVEMENTS, INCLUDING PROPOSAL FOR PARK SIGNAGE

Mr. DeForest updated the Board of the status of the Section 43/46 Park hardscape improvements. Mr. DeForest stated that KGA had no pay estimates from Texas Wall & Landscapes, LLC for the Board's approval.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR WASTEWATER TREATMENT PLANT SCREENING

Mr. DeForest updated the Board on the status of the wastewater treatment plant screening project. He reviewed and recommended approval of Pay Estimate No. 3 and Final in the amount of \$8,931.44, submitted by Strickscapes, Inc., and final acceptance of the project. After review and discussion, Director Ottmann moved to (1) approve Pay Estimate No. 3 and Final in the amount of \$8,931.44, submitted by Strickscapes, Inc.; and (2) accept the project. Director Quintero seconded the motion, which passed by unanimous vote.

Mr. DeForest reviewed two proposals from Strickscapes, Inc. for continued irrigation for the project: (1) in the amount of \$10,250 for two months of hand watering; and (2) in the amount of \$15,426.25 for installation of a permanent irrigation source by connecting into the Towne Lake Heritage Community Association's ("Heritage HOA") irrigation system. After review and discussion, the Board requested that (1) KGA prepare a proposal to present to the Heritage HOA prior to the Heritage HOA's meeting on September 27, 2018, regarding potentially connecting into the Heritage HOA's irrigation system; and (2) KGA obtain a per-visit rate for interim hand-watering from Strickscapes, Inc.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR PIPELINE EASEMENT LANDSCAPE IMPROVEMENTS

Mr. DeForest updated the Board on the status of the pipeline easement landscape improvements. He reviewed and recommended approval of Pay Estimate No. 2 in the

amount of \$125,206.56, submitted by Strickscapes, Inc. After review and discussion, Director Ottmann moved to approve Pay Estimate No. 2 in the amount of \$125,206.56, as recommended. Director Quintero seconded the motion, which passed by unanimous vote.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT, INCLUDING REQUEST FOR ANNEXATION OF TRACT(S)

There was no discussion on this matter.

REPORTS FROM DISTRICT CONSULTANTS REGARDING DISTRICT CORRESPONDENCE AND PROVISION OF RECORDS

The Board reviewed correspondence from residents regarding open records requests and the District's auditor, copies of which are attached.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT PRIVATE CONSULTATION WITH ATTORNEY

The Board convened in Executive Session at 1:54 p.m. pursuant to Section 551.071 of the Texas Government Code to conduct a private consultation with their attorney to discuss pending or contemplated litigation or a settlement offer. Ms. Downhour, Mr. Edminster, Ms. Snyder, Ms. Vinson, Ms. Carner, and Ms. Ramirez also were present.

Mr. Edminster and Ms. Downhour left the meeting at 2:03 p.m.

Ms. Snyder left the meeting at 2:52 p.m.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER

The Board reconvened in Open Session at 3:02 p.m.

DISCUSS CONTRACT FOR AUDITING SERVICES, INCLUDING REVIEW OF CORRESPONDENCE FROM AUDITOR (CONT'D)

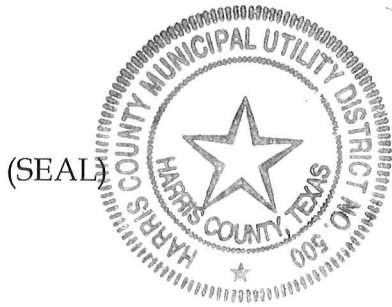
After review and discussion, Director Ottmann moved to direct McCall to include a statement of independence disclosing McCall's lease agreement with Caldwell Companies in any future documents prepared for the District. Director Dahlke seconded the motion, which passed by unanimous vote.

ENGINEERING MATTERS (CONT'D)

GREENHOUSE ROAD, SEGMENT FOUR LANDSCAPE IMPROVEMENTS

After review and discussion, Director Quintero moved to accept the project. Director Ottmann seconded the motion, which passed by unanimous vote.

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



  
Secretary, Board of Directors

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**AGENCY FILING & PAYMENT**  
**INSTRUCTIONS FORM**

Date: September 26, 2018

**Filing Location:**

County Clerk Office: Harris County

***LegalEase Card Information***

**Allen Boone Humphries Robinson LLP Card Number:** 5 0 0 6 7 9 - 5 1 3 6 8 - 0 0 1 - 6 0

**Client/Matter Number:** HAR500-11

Anticipated Fee \$9.00

Comments: Post Agenda for 10-3-18 District Meeting

**For Filing Agent Use Only:**

Firm Name: Allen Boone Humphries Robinson LLP

Address: 3200 Southwest Freeway, Suite 2600, Houston, Texas 77027

Phone Number: 713 860-6441 Carleen  
Area Code Phone Number

Amount: \_\_\_\_\_

Approval Code: \_\_\_\_\_

Processed By: \_\_\_\_\_