

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

December 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 5th day of December, 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, thus constituting a quorum.

Also present at the meeting were Rachel Reagor and Bill Collier, members of the public; Travis Singleton of the Towne Lake Community Association ("HOA"); Rose Montalbano of F. Matuska, Inc.; 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 ("BLI"); Robert DeForest of KGA DeForest Design, LLC ("KGA"); Matt Dustin and Loren Morales of RBC Capital Markets; and Katie Carner 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 November 7, 2018, regular meeting. After review and discussion, Director Roberts moved to approve the minutes as submitted. The motion was seconded by Director Quintero and 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. Upon a motion

made by Director Ottmann and seconded by Director Quintero, the Board voted unanimously to approve the bookkeeper's report and the payments presented.

TRAVEL REIMBURSEMENT GUIDELINES AND DIRECTOR EXPENSES FOR THE ASSOCIATION OF WATER BOARD DIRECTORS WINTER CONFERENCE

Ms. Carner discussed the District's Travel Reimbursement Guidelines in connection with the upcoming Association of Water Board Directors winter conference in Austin. After review and discussion, Director Ottmann moved to authorize payment of up to three per diems, reimbursement of hotel expenses for a maximum of two nights, and reimbursement for reasonable and necessary meals for Board members attending the winter conference, all to be submitted in accordance with the Travel Reimbursement Guidelines. Director Dahlke seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. McLaughlin presented the monthly tax assessor/collector's report, a copy of which is attached.

The Board then reviewed a delinquent tax report from Perdue, Brandon, Fielder, Collins & Mott L.L.P. ("Perdue Brandon"), a copy of which is attached. After discussion, the Board concurred to direct Perdue Brandon to file suit against the first two 2017 delinquent tax accounts listed on the report.

Following review and discussion, Director Quintero moved to approve the tax report. Director Ottmann seconded the motion, which carried unanimously.

REVIEW AND UPDATE EMINENT DOMAIN REPORT TO THE TEXAS COMPTROLLER

Ms. Carner reported on the requirement to file the District's Eminent Domain Authority Annual Report with the Comptroller of the State of Texas pursuant to Senate Bill 1812 from the 2015 legislative session. She stated that ABHR has filed the District's Eminent Domain Authority Annual Report for 2018.

SECURITY MATTERS, INCLUDING APPROVE COST SHARING AGREEMENT FOR LAW ENFORCEMENT SERVICES WITH THE TOWNE LAKE COMMUNITY ASSOCIATION, INC.

Ms. Carner reported that the HOA has accepted the District's offer to share in 50% of the cost of the HOA's contract for law enforcement services, upon the expiration of the Master District's agreement with the HOA. Ms. Carner stated that ABHR is preparing a Cost Sharing Agreement for Law Enforcement Services with the HOA for the Board's consideration at the next regular Board meeting.

WEBSITE MATTERS

Ms. Carner stated that eSiteful did not provide a monthly analytics report. She stated ABHR has followed up to request the report.

OPERATION OF DISTRICT FACILITIES

Mr. Ammel presented the operator's report from EDP, a copy of which is attached.

Mr. Ammel reported that EDP completed the District's annual Homeland Security contact information update with the Texas Commission on Environmental Quality.

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

CONDUCT HEARING ON TERMINATION OF WATER AND SEWER SERVICE

There were no accounts submitted for termination.

ENGINEERING MATTERS

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

APPROVE SUBMERGED STORM SEWER AGREEMENTS

There was no discussion on this matter.

REQUESTS FOR CAPACITY RESERVATION TO HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500 ("MASTER DISTRICT")

There was no discussion on this matter.

CONVEYANCE OF EASEMENT/DEEDS; APPROVE ENCROACHMENT AGREEMENTS; APPROVE ABANDONMENT OF EASEMENTS

There was no discussion on this matter.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("WHCRWA") MATTERS

The Board reviewed a letter from the WHCRWA regarding the increase in groundwater pumpage and surface water fees effective January 1, 2019, a copy of which

is attached. Mr. Ammel stated EDP would include a message on the utility bills regarding same.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

The Board reviewed correspondence from the developer, a copy of which is attached, regarding the developer's pending purchase of a 14-acre tract of land outside the boundaries of the District and requesting the Board consider annexation of the tract into the boundaries of the District. Ms. Carner noted that the tract is outside the Master District Service Area and discussed procedures for expanding the Service Area. Discussion ensued. After review and discussion, the Board concurred to authorize ABHR to begin discussing the developer's request for a potential expansion of the Service Area with the Participant districts. The Board requested the developer to provide a land plan for the tract.

REPORT FROM DISTRICT CONSULTANTS REGARDING DISTRICT CORRESPONDENCE AND PROVISION OF RECORDS

There was no discussion on this matter.

DISCUSS MEETING SCHEDULE

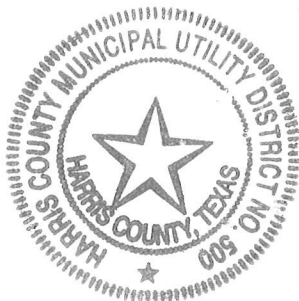
Ms. Carner reminded the Board that the January regular meeting is scheduled for January 7, 2019, at 11 a.m.

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 did not convene in executive session.

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>
Bookkeeper's report.....	1
Tax assessor/collector's report.....	2
Delinquent tax report from Perdue, Brandon, Fielder, Collins & Mott L.L.P.....	2
Operator's report.	3
Engineer's report.....	3
Letter from the WHCRWA.....	3
Correspondence from the developer	4