

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

September 4, 2019

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 4th day of September, 2019, 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:

Joanne E. Quintero	President
Jeffrey D. Ottmann	Vice President
Saundra Dahlke	Secretary
Gerald P. Mathers	Assistant Secretary
James Ross	Assistant Vice President

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

Also present at the meeting were Michael Crahan of the Towne Lake Community Association, Inc. ("HOA"); George Gentry, Wayne Tyson, and Jonathan Cowen, directors of Harris County Municipal Utility District No. 501; Rose Montalbano of F. Matuska, Inc.; Michael Ammel of Environmental Development Partners, LLC ("EDP"); J.T. Gaden and Truman Edminster of Edminster Hinshaw Russ and Associates, Inc. ("EHRA"); Corey Laughner of KGA DeForest Design, LLC ("KGA"); Brenda McLaughlin of Bob Leared Interests ("BLI"); Matt Dustin of RBC Capital Markets; and Alia Vinson, 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 August 7, 2019, regular meeting. After review and discussion, Director Dahlke moved to approve the minutes, as presented. The motion was seconded by Director Mathers and passed by unanimous vote.

DISCUSS 2019 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

Ms. Vinson discussed the two-step process for setting the District's tax rate. Mr. Dustin distributed and reviewed a Master District contract tax analysis for the calendar year ending 2020, a copy of which is attached, and discussion ensued.

Mr. Dustin then presented a 2019 tax rate recommendation, a copy of which is attached, and recommended that the Board levy a 2019 total tax rate of \$1.04, comprised of \$0.16 per \$100 of assessed valuation to provide for the District's debt service requirements, \$0.75 to provide for the District's contract tax requirements, and \$0.13 to provide for maintenance and operation requirements. Discussion ensued regarding the proposed tax rate. The Board considered setting a public hearing date and authorizing notice of a public hearing regarding the District's adoption of a 2019 tax rate. After review and discussion, Director Ottmann moved to authorize publication of the proposed 2019 total tax rate of \$1.04 per \$100 of assessed valuation and set the public hearing for October 2, 2019, at 12:00 p.m. at the Lakehouse. The motion was seconded by Director Mathers and carried unanimously.

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.

After review and discussion, Director Ottmann moved to approve the bookkeeper's report and the payments presented. Director Mathers 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. She also reviewed the District's delinquent tax roll, a copy of which is attached.

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

QUARTERLY DELINQUENT TAX REPORT

The Board reviewed the quarterly delinquent tax report from Perdue, Brandon, Fielder, Collins & Mott L.L.P. ("Perdue"), a copy of which is attached. After discussion, the Board concurred to direct Perdue to file suit against the accounts for Sam's Boat, Pure Barre, and Club Pilates. The Board requested a representative of Perdue attend the next regular Board meeting.

SECURITY MATTERS

Ms. Carner stated the August security report was distributed via e-mail. Director Ottmann noted one of the deputies plans to attend an upcoming event held by the H. Towne Lake Community Association.

WEBSITE AND COMMUNICATION MATTERS

There was no discussion on this agenda item.

REPORT FROM WATER CONSERVATION COALITION, INCLUDING REPORT ON PREPARATION FOR COMMUNITY EVENT

There was no discussion on this agenda item.

OPERATION OF DISTRICT FACILITIES

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

Mr. Ammel reviewed a tap fee letter for Service First Automotive, a copy of which is attached to the operator's report.

Mr. Ammel reviewed the required language that was added to the District's utility bills for the September billing cycle, pursuant to Senate Bill 239.

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

CONDUCT HEARING ON TERMINATION OF WATER AND SEWER SERVICE

There were no accounts submitted for termination.

ENGINEERING MATTERS

Mr. Gaden 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), REQUEST FOR UTILITY COMMITMENTS, AND ANNEXATION REQUEST, INCLUDING UPDATE ON PETITION FOR ADDITION OF CERTAIN LAND AND PETITION FOR CITY CONSENT TO ANNEX LAND

Mr. Gaden updated the Board on the status of the pending annexation of the approximately 11.78-acre tract of land adjacent to the District.

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

There was no discussion on this matter.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

There was no discussion on this matter.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT, INCLUDING CONSENT TO PARTIAL ASSIGNMENT OF FINANCING AND REIMBURSEMENT AGREEMENT

There was no discussion on this matter.

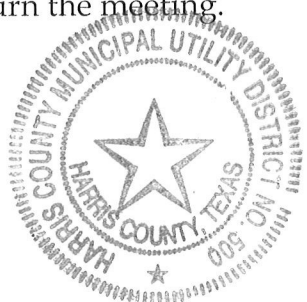
REPORT FROM DISTRICT CONSULTANTS REGARDING DISTRICT CORRESPONDENCE AND PROVISION OF RECORDS

There was no discussion on this agenda item.

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

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