

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

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 but inside the boundaries of the Service Area, 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 except Director Ross, thus constituting a quorum.

Also present at the meeting were George Gentry and Wayne Tyson, directors of Harris County Municipal Utility District No. 501 ("HC 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; and Alia Vinson, Katie Carner, and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Mr. Tyson inquired about the status and use of the District's proposed road bond issue. Ms. Vinson stated that matter would be addressed under agenda item no. 13.

Mr. Tyson inquired about the erosion control netting that was removed from the regional detention facilities. Ms. Vinson stated that matter would be addressed under agenda item no. 5.b.

Mr. Tyson inquired about the ownership of the marina and the marina dock in the Heritage. Mr. Gaden stated he will investigate the ownership of the marina. Ms. Vinson stated that the District does not own any docks.

APPROVE MINUTES

The Board reviewed the minutes of the August 7, 2019, regular meeting. After review and discussion, Director Ottmann moved to approve the minutes of the August

7, 2019, regular meeting, as submitted. Director Mathers seconded the motion, which passed 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 Mathers moved to approve the bookkeeper's report and the payments presented. Director Ottmann seconded the motion, which passed by unanimous vote.

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 Service Area.

Mr. Ammel updated the Board on the status of the bulkhead repairs near detention 1H. He stated that EDP is attempting to contact a contractor to obtain an estimate for repair, but has received no response. The Board requested EHRA provide a list of alternative contractors to EDP.

Mr. Ammel reviewed a proposal to repair booster pump motor no. 4 at water plant no. 1, which suffered electrical damage, copy of which is attached. He requested the Board authorize the repair of booster pump motor no. 4 for a total amount not to exceed \$8,000.

Mr. Ammel stated that the phase one aeration tank air header at the wastewater treatment plant ("WWTP") needs to be replaced and requested the Board approve the replacement for an amount not to exceed \$24,000. The Board discussed authorizing ABHR to send a notice letter to the Texas Commission on Environmental Quality ("TCEQ") regarding the use of surplus funds for the replacement of the phase one aeration tank header and to repair booster pump motor no. 4.

Mr. Ammel stated replacement of the bearings and repairs to the bearing journals at the WWTP is complete.

Mr. Ammel requested the Board authorize the replacement of the gate at water plant no. 1 in the estimated amount of \$6,000 and replacement of the gate at lift station no. 1 in the estimated amount of \$4,800. The Board discussed adding the gate replacements to the surplus funds notice letter to the TCEQ.

After review and discussion, Director Ottmann moved to (1) approve the operator's report; (2) authorize the repair of booster pump motor no. 4 for a total amount not to exceed \$8,000; (3) approve the replacement of the phase one aeration

tank air header for an amount not to exceed \$24,000; (4) authorize the replacement of the gate at water plant no. 1 for the estimated amount of \$6,000 and replacement of the gate at lift station no. 1 for the estimated amount of \$4,800; and (5) authorize ABHR to send a notice letter to the TCEQ regarding the use of surplus funds for the replacement of the phase one aeration tank air header, repair of booster pump motor no. 4, and the gate replacements at water plant no. 1 and lift station no. 1. Director Mathers seconded the motion, which passed by unanimous vote.

DISCUSS LAKE MANAGEMENT AND MAINTENANCE

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

Ms. Vinson updated the Board on the status of wildlife management in the District, including alligator monitoring and beaver removal. The Board reviewed reports from A All Animal Control for July and August, copies of which are attached.

EROSION, DREDGING, AND WATER QUALITY

The Board reviewed a handout with a social media post regarding the removal of erosion control netting along the shoreline of the regional detention facilities adjacent to the Heritage, a copy of which is attached. Ms. Vinson noted that the District did not remove the netting and was not contacted prior to the removal of the netting. The Board discussed concerns about future erosion issues if the netting is removed. After discussion, the Board concurred to authorize ABHR to send correspondence to the Towne Lake Community Association, Inc. ("HOA") regarding the removal of the erosion control netting, subject to Director Quintero's review.

Director Quintero reported that she was informed that the HOA is directing residents to send invoices for boat damage related to the lower than usual water level in the lake to the District. Discussion ensued. The Board also discussed the potential risk to District facilities related to the lower than usual water level.

DISCUSS AMENDMENT TO MAINTENANCE AGREEMENT WITH TOWNE LAKE COMMUNITY ASSOCIATION, INC., AND LAKE ACCESS AND RULES

Ms. Vinson reported that discussions are ongoing between the HOA and the designated Board representatives regarding the amendment. Discussion ensued regarding timing for completion of the amendment and adoption of District lake rules.

ENGINEERING MATTERS, INCLUDING ALTERNATE WATER SUPPLY SOURCES

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

Mr. Gaden 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.

Mr. Gaden stated that the District's request for a second emergency interconnect has not yet been presented to the Board of Remington Municipal Utility District No. 1.

Mr. Gaden then reviewed options for constructing one or more water wells within the Master District Service Area, a copy of which is attached. Discussion ensued regarding timing for construction and funding options. After review and discussion, Director Ottmann moved to authorize EHRA to begin preliminary engineering for water well no. 1 at water plant no. 1. Director Mathers seconded the motion, which passed unanimously.

PRELIMINARY PLANNING FOR GRADE SEPARATION AT UNION PACIFIC RAILROAD AND INTERSECTION IMPROVEMENTS AT HIGHWAY 290 ("UPRR/HIGHWAY 290 PROJECT"), INCLUDING UPDATE ON HOUSTON-GALVESTON AREA COUNCIL TRANSPORTATION IMPROVEMENT PROGRAM PARTICIPATION, INTERLOCAL AGREEMENTS WITH FUNDING PARTNERS, AND PROPOSAL FROM THE GOODMAN CORPORATION AND APPROVE RELATED SERVICE AGREEMENT

Mr. Edminster updated the Board on the status of the UPRR/Highway 290 Project, including the preliminary engineering work.

The Board reviewed a proposal from the Goodman Corporation ("Goodman") for completion of National Environmental Policy Act documents associated with the UPRR/Highway 290 Project, a copy of which is attached. After review and discussion, and based upon the District engineer's recommendation, Director Ottmann moved to (1) approve the proposal from Goodman; and (2) authorize the Board President to execute a Service Agreement with Goodman. Director Dahlke seconded the motion, which passed by unanimous vote.

REPORT ON STORMWATER FACILITIES MAINTENANCE AND REPAIRS, AND APPROVE SUBMERGED STORM SEWER AGREEMENTS AND MAINTENANCE AGREEMENTS

Mr. Gaden stated that the Storm Water Solutions, LLC report was provided to the Board.

REVIEW BIDS AND AWARD CONTRACT FOR DETENTION 1L, PHASE 2

The Board deferred award of contract for detention 1L, Phase 2, pending receipt of bids.

REVIEW BIDS AND AWARD CONTRACT FOR WWTP HEADWORKS IMPROVEMENT PROJECT

The Board deferred award of contract for WWTP headworks improvement project, pending receipt of bids.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR CLEARING AND GRUBBING FOR DETENTION 1L, PHASE 2

Mr. Gaden updated the Board on the status of clearing and grubbing to serve detention 1L, Phase 2. He stated that he had no pay estimates from Project Storm, LLC for the Board's approval.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR REHABILITATION OF TIE-BACK WALLS

Mr. Gaden updated the Board on the status of rehabilitation of the tie-back walls. He stated that he had no pay estimates from Structural Concrete Systems, LLC for the Board's approval.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR WATER PLANT NO. 2, INCLUDING APPROVE ADDENDUM TO AGREEMENT WITH CENTERPOINT ENERGY FOR ELECTRICITY SERVICE

Mr. Gaden updated the Board on the status of construction of water plant no. 2. He stated that he had no pay estimates from W.W. Payton Corporation for the Board's approval.

Ms. Carner reviewed an Addendum to Agreement with CenterPoint Energy ("Addendum") for electricity service for water plant no. 2. After review and discussion, Director Ottmann moved to approve the Addendum and direct that the Addendum be filed appropriately and retained in the District's official records. Director Mathers seconded the motion, which passed by unanimous vote.

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

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

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

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

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR TWO LEFT TURN LANES AT INTERSECTION OF BARKER CYPRESS AND TUCKERTON

Mr. Gaden updated the Board on the status of construction of the two left turn lanes at the intersection of Barker Cypress Road and Tuckerton Road. He reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$9,473.40 and Change Order No. 1 to increase the contract in the amount of \$3,350, submitted by WadeCon, LLC. The Board determined that Change Order No. 1 is beneficial to the District.

After review and discussion, Director Ottmann moved to approve Pay Estimate No. 2 in the amount of \$9,473.40 and Change Order No. 1 to increase the contract in the amount of \$3,350, submitted by WadeCon, LLC, based upon the Board's determination that the Change Order is beneficial to the District and the engineer's recommendation. Director Mathers seconded the motion, which passed by unanimous vote.

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

There was no discussion on this matter.

APPROVE CAPACITY RESERVATIONS AND UTILITY COMMITMENT LETTERS

There was no discussion on this matter.

UPDATE ON ROAD BOND ISSUE NO. 4 AND PARK BOND APPLICATION NO. 1

Mr. Gaden updated the Board on the status of the preparation of park bond application no. 1.

Mr. Gaden and Ms. Vinson reviewed a draft summary of costs for road bond issue no. 4. Ms. Vinson discussed the tentative schedule of events for the proposed road bond issue.

CONVEYANCE OF EASEMENTS/DEEDS; ABANDONMENT OF EASEMENT

There was no discussion on this matter.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

There was no discussion on this matter.

LANDSCAPE ARCHITECT'S REPORT, INCLUDING UPDATE ON PREPARATION OF UPDATED MASTER PARK PLAN

Mr. Laughner reviewed a draft of the District's updated Master Park Plan, a copy of which is attached to the landscape architect's report. Discussion ensued.

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

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.

TRAILS, TREES, AND SIDEWALKS

There was no discussion on this matter.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR GREENHOUSE ROAD, SEGMENT FIVE HARDSCAPE IMPROVEMENTS

Mr. Laughner updated the Board on the status of Greenhouse Road, Segment Five hardscape improvements. He reviewed and recommended approval of Pay Estimate No. 3 in the amount of \$51,690.78, submitted by Texas Wall & Landscapes, LLC. After review and discussion, Director Ottmann moved to approve Pay Estimate No. 3 in the amount of \$51,690.78, as recommended. Director Mathers seconded the motion, which carried unanimously.

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

Mr. Laughner updated the Board on the status of Greenhouse Road, Segment Five landscape improvements. He reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$133,063.20, submitted by Classic Irrigation & Landscape, LLC. After review and discussion, Director Ottmann moved to approve Pay Estimate No. 2 in the amount of \$133,063.20, as recommended. Director Mathers seconded the motion, which carried unanimously.

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

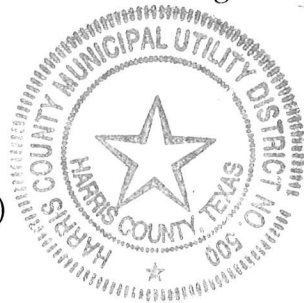
There was no discussion on this agenda item.

CONVENE IN EXECUTIVE SESSION CONDUCT A PRIVATE CONSULTATION
WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR
A SETTLEMENT OFFER, PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT
CODE

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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