

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

October 2, 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 2nd day of October, 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 except Director Ross, thus constituting a quorum.

Also present at the meeting were Rick Dahlke, member of the public; Carl Sandin of Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue"); Justin Jenkins of McCall Gibson Swedlund Barfoot PLLC ("McCall"); George Gentry, director of Harris County Municipal Utility District No. 501; John Suppatkal, director of Harris County Municipal Utility District No. 502; 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"); Bob DeForest of KGA DeForest Design, LLC ("KGA"); Brenda McLaughlin of Bob Leared Interests ("BLI"); Matt Dustin of RBC Capital Markets; Kent Puckett of Caldwell Companies; 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 September 4, 2019, regular meeting. After review and discussion, Director Ottmann moved to approve the minutes, as presented. The motion was seconded by Director Mathers 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.

The Board discussed authorizing attendance by any interested directors at McCall's Public Funds Investment Act training on October 26, 2019.

After review and discussion, Director Ottmann moved to (1) approve the bookkeeper's report and the payments presented; and (2) authorize any interested director to attend McCall's Public Funds Investment Act training on October 26, 2019. 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.

DELINQUENT TAX REPORT

Mr. Sandin reviewed the report from Perdue regarding the status of the District's delinquent tax accounts, a copy of which is attached.

The Board discussed the accounts for Burgerim/Glinares Service LLC, The Cheese Bar, I.I.C., Photographics, and Deluxe Nails & Spa.

After review and discussion, Director Ottmann moved to (1) move the delinquent tax accounts for Burgerim/Glinares Service LLC, The Cheese Bar, LLC, and Photographics to the uncollectible roll; and (2) direct Purdue to send a certified letter to the owner of Deluxe Nails & Spa. Director Mathers seconded the motion, which passed by unanimous vote.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. McLaughlin stated that BLI published a Notice of Public Hearing regarding the adoption of the District's 2019 tax rate stating that the Board anticipates levying a maximum total 2019 tax rate of \$1.04 per \$100 assessed valuation.

Director Quintero opened the public hearing. There being no comments from the public, Director Quintero closed the public hearing.

After discussion, the Board agreed to levy a total 2019 tax rate of \$1.04 per \$100 of assessed valuation, composed of a \$0.75 contract tax component, a \$0.16 debt service tax component, and a \$0.13 maintenance and operations tax component. Ms. Carner

presented an Order Levying Taxes and an Amendment to Information Form reflecting the 2019 tax rate. Ms. Carner stated that the Amendment to Information Form will be filed with Harris County and the Texas Commission on Environmental Quality. After review and discussion, Director Ottmann moved to (1) adopt the Order Levying Taxes; (2) authorize execution of the Amendment to Information Form; and (3) direct that the Order and Amendment be filed appropriately and retained in the District's official records. Director Dahlke seconded the motion, which passed unanimously.

ADOPT RESOLUTION NOMINATING CANDIDATE FOR BOARD OF DIRECTOR ELECTION FOR HARRIS COUNTY APPRAISAL DISTRICT ("HCAD")

The Board considered nominating a candidate for the Board of Director election for HCAD. After review and discussion, Director Ottmann moved to adopt a Resolution Nominating Candidate for Board of Director Election for HCAD, reflecting the District's nomination of Glenn Peters. Director Mathers seconded the motion, which passed by unanimous vote.

SECURITY MATTERS

Ms. Carner stated the September security report was distributed via e-mail. The Board discussed security matters in Towne Lake, including attendance by deputies at Towne Lake community events.

WEBSITE AND COMMUNICATION MATTERS

The Board reviewed a website analytics report from eSiteful, a copy of which is attached. The Board requested a post regarding the adoption of the 2019 tax rate be added on the main homepage.

REPORT FROM WATER CONSERVATION COALITION ("WCC"), INCLUDING REPORT ON PREPARATION FOR COMMUNITY EVENT

Director Ottmann reported on a WCC meeting held on September 9, 2019, at 6:30 pm with representatives of the other municipal utility districts in Towne Lake. He discussed various public outreach efforts by the WCC and a proposed irrigation system controller initiative. Director Ottmann stated that the next WCC meeting will be held on November 11, 2019.

OPERATION OF DISTRICT FACILITIES

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

The Board reviewed a Notice of Anticipated Fees for 2020 from the West Harris County Regional Water Authority ("WHCRWA"), a copy of which is attached to the operator's report.

After review and discussion, Director Ottmann moved to approve the operator's report. Director Mathers 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.

WHCRWA MATTERS

The Board considered authorizing attendance at the WHCRWA Fall Forum on October 23, 2019. A copy of the notice from the WHCRWA is attached. After review and discussion, Director Ottmann moved to authorize any interested directors to attend the Fall Forum. Director Dahlke seconded the motion, which passed unanimously.

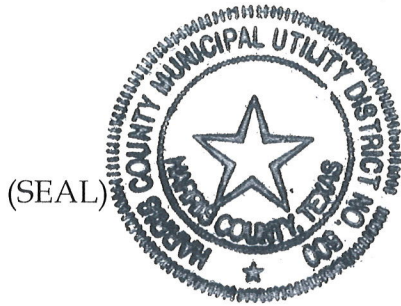
REPORT REGARDING DEVELOPMENT IN THE DISTRICT, INCLUDING CONSENT TO PARTIAL ASSIGNMENT OF FINANCING AND REIMBURSEMENT AGREEMENT

Mr. Puckett discussed development in Towne Lake.

REPORT FROM DISTRICT CONSULTANTS REGARDING DISTRICT
CORRESPONDENCE AND PROVISION OF RECORDS

There was no discussion on this agenda item.

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




Secretary, Board of Directors
President

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