

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

November 6, 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 6th day of November, 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
Jeffry 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 Todd LaBaume, member of the public; Claire Donnelly of H. Towne Lake Community Association, Inc.; George Gentry, director of Harris County Municipal Utility District No. 501; John Suppatkal, director of Harris County Municipal Utility District No. 502 ("HC 502"); Travis Singleton of Towne Lake Community Association, Inc. ("HOA"); 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; 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 October 2, 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.

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

#### CONDUCT ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

The Board reviewed the District's Investment Policy to determine if any amendments were necessary. After discussion, the Board determined to make no amendments at this time. Upon a motion made by Director Ottmann and seconded by Director Mathers, the Board voted unanimously to adopt a Resolution Regarding Annual Review of Investment Policy and direct that the Resolution be filed appropriately and retained in the District's official records.

#### REVIEW, REVISE, AND ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

Ms. Carner reviewed the District's Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions. After review and discussion, Director Mathers moved to adopt the Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Dahlke seconded the motion, which passed by unanimous vote.

#### 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. The Board requested Ms. McLaughlin obtain an update on the status of the delinquent account for the Deluxe Nails & Spa from the District's delinquent tax attorney.

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

#### ADOPT RESOLUTION CASTING BALLOT FOR THE ELECTION OF A PERSON TO THE BOARD OF DIRECTOR OF THE HARRIS COUNTY APPRAISAL DISTRICT ("HCAD")

The Board considered adopting a Resolution Casting Ballot for the Election of a Person to the Board of Directors for HCAD. Ms. Carner advised the Board that the

District may cast a vote for a person to fill the position of director on the Board of Directors of the HCAD. She explained that the director will serve as a representative of the conservation and reclamation districts within HCAD's jurisdiction. After discussion, Director Ottmann moved to adopt a Resolution Casting Ballot for the Election of a Person to the Board of Directors for HCAD, reflecting the District's vote for Glenn Peters, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Mathers seconded the motion, which carried unanimously.

#### AUTHORIZE EXECUTION OF GENERAL CERTIFICATE IN CONNECTION WITH HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500 (MASTER) BOND SALE

The Board considered authorizing execution of the General Certificate in connection with the Master District's Series 2019 Contract Revenue Bonds (Road Facilities). Following review and discussion, Director Dahlke moved to authorize execution of the General Certificate in connection with the Master District's Series 2019 Contract Revenue Bonds (Road Facilities). Director Quintero seconded the motion, which passed unanimously.

#### AUTHORIZE EXECUTION OF RESOLUTION TO COMPLY WITH THE SECURITIES AND EXCHANGE COMMISSION RULE 15C2-12 IN CONNECTION WITH MASTER DISTRICT'S BOND SALE

The Board considered authorizing execution of the Resolution to Comply with the Securities and Exchange Commission Rule 15c2-12, whereby the District agrees to provide current financial information on an annual basis. Following review and discussion, Director Dahlke moved to authorize execution of the Resolution to Comply with the Securities and Exchange Commission Rule 15c2-12 in connection with the Master District's Series 2019 Contract Revenue Bonds (Road Facilities). Director Quintero seconded the motion, which passed unanimously.

#### SECURITY MATTERS

Ms. Carner stated the October security report was distributed via e-mail. She reported that a director on the Board of Directors of HC 502 has approached the other Participant districts regarding the creation of a joint security committee.

Director Quintero inquired about one incident on the security report, which appeared to be for an address outside of Towne Lake. Ms. Ramirez stated she would follow up with the HOA to obtain additional information.

## WEBSITE AND COMMUNICATION MATTERS

The Board reviewed a website analytics report from eSiteful, a copy of which is attached. The Board requested ABHR to upload future reports to the District's SharePoint site.

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

Director Ottmann distributed notes from the WCC meeting held in September, 2019, a copy of which is attached. He stated that the WCC members discussed tiered water rate structures to incentivize water conservation and promoting smart irrigation system controllers. He noted 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.

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 agenda.

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

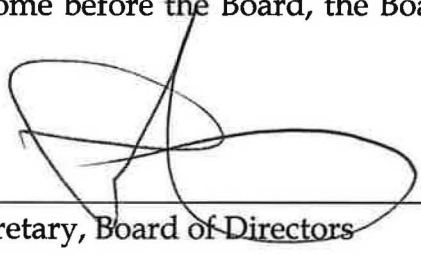
There was no discussion on this matter.

REPORT FROM DISTRICT CONSULTANTS REGARDING DISTRICT  
CORRESPONDENCE AND PROVISION OF RECORDS

There was no discussion on this agenda item.

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



  
Asst. Secretary, Board of Directors

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