

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

July 1, 2020

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 500 (the "District") met in regular session, with access by telephone available to the public, pursuant to Texas Government Code Section 551.125 and Governor Greg Abbott's emergency disaster declaration dated March 13, 2020, on the 1st day of July, 2020, and the roll was called of the members of the Board being present by telephone:

Joanne E. Quintero	President
Jeffrey D. Ottmann	Vice President
Sandra Dahlke	Secretary
Vacant	Assistant Secretary
James Ross	Asst. Vice President/ Asst. Sec.

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

Also present at the meeting via teleconference were George Gentry and John Casey, directors of Harris County Municipal Utility District No. 501; Michael Crahan of the Towne Lake Community Association, Inc. ("HOA"); Tim Applewhite of McCall Gibson Swedlund Barfoot P.I.C. ("McCall"); Fran Matuska of F. Matuska, Inc.; Michael Ammel of Environmental Development Partners, LLC ("EDP"); Truman Edminster and J.T. Gaden of Edminster Hinshaw Russ and Associates, Inc. ("EHRA"); Brenda McLaughlin of Bob Leared Interests ("BLI"); Eric Steinman of KGA DeForest Design, LLC ("KGA"); Jessie Carrasco of Caldwell Companies; and Katie Carner and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

Ms. Carner reviewed certain recommended protocols for conducting the District's meeting via teleconference. She announced that the meeting was being recorded and that consultant reports presented at the meeting were posted online and available to the public in the form of an "agenda packet" prior to the start of the meeting at www.districtdirectory.org/agendapackets/hcmud500.

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board reviewed the minutes of the June 3, 2020, regular meeting. After review and discussion, Director Dahlke moved to approve the minutes, as presented.

The motion was seconded by Director Ottmann. A roll call of the Board was taken and the motion passed unanimously.

APPROVE AUDIT FOR FISCAL YEAR END MARCH 31, 2020

Mr. Applewhite presented the combined draft audit for the Master District and Internal District for the fiscal year ending March 31, 2020. Following review and discussion, Director Ottmann moved to approve the audit for fiscal year ended March 31, 2020, subject to final review. Director Dahlke seconded the motion. A roll call of the Board was taken and the motion passed unanimously. The Board requested that all comments be submitted by July 10, 2020.

AUTHORIZE PREPARATION OF SUPPLEMENTAL REIMBURSEMENT REPORT FOR SERIES 2017 BONDS

Mr. Applewhite stated that once a surplus funds application to reimburse the developer for construction of the water, sewer, and drainage facilities to serve the Barker Cypress Commercial Reserve is approved by the Texas Commission on Environmental Quality ("TCEQ"), a supplemental reimbursement report for the Series 2017 Bonds will be required to be approved by the Board prior to the distribution of funds to the developer.

The Board then considered authorizing McCall to prepare a supplemental developer reimbursement report for the Series 2017 Bonds for the Barker Cypress Commercial Reserve. After review and discussion, Director Ottmann moved to authorize McCall to prepare a supplemental developer reimbursement report for the Series 2017 Bonds. Director Ross seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME IN ACCORDANCE WITH CONTINUING DISCLOSURE OF INFORMATION AGREEMENT

Ms. Carner reviewed an Annual Report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the bond resolutions. She stated that the District is required to file certain financial and operating data with the Municipal Securities Rulemaking Board (the "MSRB") through EMMA in compliance with SEC Rule 15c2-12. Following review and discussion, Director Ottmann moved to approve the Annual Report, subject to final review, authorize the attorney to submit the Annual Report in compliance with the continuing disclosure provisions contained in the bond resolutions and direct that the Annual Report be filed appropriately and retained in the District's official records. Director Dahlke seconded the motion, which passed unanimously, following a roll call vote. The Board requested that all comments be submitted by July 17, 2020

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. The Board concurred that no changes are required at this time.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Matuska 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 Ross seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

The Board discussed the upcoming expiration of the District's insurance policies and reviewed a proposal from McDonald & Wessendorff Insurance for renewal of the District's directors and officers liability, umbrella, pollution, public employee blanket crime, directors bond, business travel accident, and workers compensation insurance policies. The Board then reviewed an insurance proposal from Arthur J. Gallagher & Co. Following discussion, the Board concurred to defer action on this matter pending further review by the Board.

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 to the tax assessor/collector's report.

Following review and discussion, Director Ottmann moved to approve the tax report. Director Ross seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

SECURITY MATTERS

The Board discussed the security report for May, 2020, including security checks for District facilities. The Board requested Mr. Crahan to confirm that security checks for District facilities are being conducted more frequently than noted in the security report.

WEBSITE AND COMMUNICATION MATTERS

There was no discussion on this agenda item.

REPORT FROM WATER CONSERVATION COALITION ("WCC")

Director Ottmann stated that the WCC will hold its next meeting in August, 2020.

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 Dahlke seconded the motion. A roll call of the Board was taken and the motion 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) AND REQUESTS FOR UTILITY COMMITMENTS

There was no discussion on this agenda item.

UPDATE ON SURPLUS FUNDS APPLICATION

Mr. Gaden updated the Board on the status of preparation of the surplus funds application.

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

Mr. Gaden reviewed a sanitary sewer easement and two water line easements (collectively, the "Easements") from CC TL Parkway 14, L.P. to the District. After review and discussion, Director Ottmann moved to accept the Easements, pending receipt, and direct that Easements be filed appropriately and retained in the District's

official records. Director Ross seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

There was no discussion on this matter.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Mr. Carrasco updated the Board regarding the status of development in Towne Lake.

REPORT FROM DISTRICT CONSULTANTS REGARDING DISTRICT CORRESPONDENCE AND PROVISION OF RECORDS

There was no discussion on this agenda item.

DISCUSS APPOINTMENT OF NEW DIRECTOR

There was no discussion on this agenda item.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.074, TEXAS GOVERNMENT CODE, TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE

The Board did not convene in Executive Session pursuant to Section 551.074, Texas Government Code.

REVIEW AND REVISE ACTION LIST

The Board reviewed the action list and noted items to be included and removed from the list.

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.....	3
Tax assessor/collector's report.....	3
Operator's report.	4
Engineer's report.....	4

