

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

September 2, 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 2nd day of September, 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
Saundra Dahlke	Secretary
Vacant	Assistant Secretary
James Ross	Asst. Vice President/ Asst. Secy.

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

Also present at the meeting via teleconference were James Spackman, member of the public; George Gentry, Wayne Tyson, and John Casey, directors of Harris County Municipal Utility District No. 501; Rose Montalbano 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; Robert DeForest of KGA DeForest Design, LLC ("KGA"); Loren Morales and Leslie Cook of RBC Capital Markets ("RBC"); Kent Puckett and Jesse Carrasco of Caldwell Companies; and Alia Vinson, 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 August 5, 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.

APPOINTMENT OF NEW DIRECTOR

APPOINT NEW DIRECTOR

The Board discussed the appointment of a new director to fill the vacancy on the Board. After discussion, Director Ross moved to appoint James Spackman to the Board for the remainder of the unexpired term ending May 4, 2024. Director Ottmann seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

APPROVE SWORN STATEMENT, OFFICIAL BOND, AND OATH OF OFFICE

Ms. Carner reviewed the Sworn Statement, Official Bond, and Oath of Office for Director Spackman. After review and discussion, Director Ottmann moved to approve the Sworn Statement, Official Bond, and Oath of Office for Director Spackman and direct that the documents be filed appropriately and retained in the District's official records, and that the Oath of Office be filed with the Secretary of State as required by law. Director Ross seconded the motion. A roll call of the Board was taken and the motion passed 4-0, with Director Dahlke being absent for the vote.

REORGANIZE BOARD AND ELECT OFFICERS

The Board considered reorganizing the Board. Following discussion, Director Ottmann moved to reorganize the Board as follows:

Joanne E. Quintero	President
Jeffrey D. Ottmann	Vice President
Saundra Dahlke	Secretary
James Spackman	Assistant Secretary
James Ross	Asst. Vice President/ Asst. Secy.

Director Ross seconded the motion. A roll call of the Board was taken and the motion passed 4-0, with Director Dahlke being absent for the vote.

DISTRICT REGISTRATION FORM

The Board then considered authorizing filing of an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ"), reflecting the new Board of Directors. Following review and discussion, Director Ottmann moved to authorize filing of the updated District Registration Form with the TCEQ and direct that the District Registration Form

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 4-0, with Director Dahlke being absent for the vote.

OPEN MEETINGS ACT AND PUBLIC INFORMATION ACT TRAINING REQUIREMENTS

Ms. Carner stated that Director Spackman indicated he has already completed the required training.

CONFLICT OF INTEREST DISCLOSURE

Ms. Carner next reviewed Chapter 176 of the Texas Local Government Code, which requires directors and consultants to disclose certain conflicts of interest. She reviewed the forms adopted by the Texas Ethics Commission for making disclosures under Chapter 176 and noted that the forms are required to be filed with the records administrator for the District and reviewed time periods for such filings.

CYBERSECURITY TRAINING REQUIREMENTS

Ms. Carner stated that Director Spackman has been provided the information regarding the required cybersecurity training.

The Board suspended the meeting at 12:11 p.m.

The Board reconvened the meeting at 1:41 p.m.

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.

Ms. Montalbano stated that the District received a credit in the amount of \$11,359.50 against the monthly billing for the pumpage and surface water delivery fees from the Master District for the District's share of the 2018 alternate water use credits from the West Harris County Regional Water Authority ("WHCRWA").

After review and discussion, Director Dahlke moved to approve the bookkeeper's report and the payments presented. Director Spackman seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") SUMMER CONFERENCE, AND AUTHORIZE ATTENDANCE AT WINTER CONFERENCE

The Board considered authorizing attendance at the AWBD winter conference. After review and discussion, Director Ottmann moved to authorize any interested directors to attend the AWBD winter conference. Director Ross seconded the motion. A roll call of the Board was taken and the motion 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 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.

DISCUSS WATER CODE TAX PROVISIONS AND 2020 TAX RATE, ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2020 TAX YEAR, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING

The Board reviewed a memorandum regarding the Senate Bill 2 Truth-in-Taxation requirements for the 2020 tax year, a copy of which is attached. The Board deferred further discussion on this matter until the next regular meeting.

SECURITY MATTERS

Ms. Carner reported that the August security report will be distributed to the Board via email once it is received.

WEBSITE AND COMMUNICATION MATTERS

The Board reviewed the website analytics report from eSiteful, a copy of which is attached.

REPORT FROM WATER CONSERVATION COALITION ("WCC")

Director Ottmann reported on a WCC meeting held on August 17, 2020 with representatives of the other municipal utility districts in Towne Lake. Discussion ensued regarding methods to increase communication with residents of Towne Lake. After discussion, the Board concurred to invite the homeowners associations within Towne Lake to participate in the WCC.

Director Ross left the meeting.

OPERATION OF DISTRICT FACILITIES

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

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

After review and discussion, Director Ottmann moved to approve the engineer's report. Director Spackman seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

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

There was no discussion on this agenda item.

WHCRWA MATTERS

There was no discussion on this agenda item.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

There was no discussion on this agenda item.

REPORT FROM DISTRICT CONSULTANTS REGARDING DISTRICT
CORRESPONDENCE AND PROVISION OF RECORDS

There was no discussion on this agenda item.

DISCUSS MEETING ORGANIZATION AND PROCEDURES

The Board discussed methods to conduct District meetings more efficiently, including utilizing a Consent Agenda. After discussion, the Board concurred to utilize a Consent Agenda format for the Internal District moving forward and discussed the items for inclusion.

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

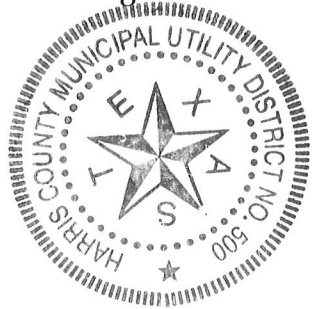
The Board did not convene in Executive Session.

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

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