

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

November 4, 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 4th day of November, 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
James Spackman	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 John Casey and George Gentry, directors of Harris County Municipal Utility District No. 501; Fran Matuska of F. Matuska, Inc.; Eric Thiry 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”); Loren Morales and Leslie Cook of RBC Capital Markets; Jesse Carrasco of Caldwell Companies; Robert DeForest of KGA DeForest Design, LLC; 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.

CONSENT AGENDA

Ms. Carner offered Board members the opportunity to remove items from the consent agenda for individual discussion. Director Ottmann requested item no. 6 be

removed from the consent agenda. After discussion, Director Ottmann moved to approve all items on the consent agenda, except for item no. 6, and direct that, where appropriate, the documents be filed appropriately and retained in the District's official records, including: (1) the minutes of the October 7, 2020, regular meeting; (2) the bookkeeper's report; (3) adopting the Resolution Regarding Annual Review of Investment Policy, reflecting that no changes are necessary to the existing policy and direct that the Resolution be filed appropriately and retained in the District's official records; (4) adopting 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; (5) the tax assessor's report; (6) the website analytics report; (7) the operator's report; and (8) the engineer's report. Director Dahlke seconded the motion. A roll call of the Board was taken and the motion passed unanimously. Copies of the bookkeeper's report, tax assessor's report, website analytics report, operator's report, and engineer's report are attached.

ITEMS REMOVED FROM THE CONSENT AGENDA

DELINQUENT TAX REPORT

The Board reviewed the report from Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue") regarding the status of the District's delinquent tax accounts, a copy of which is attached.

The Board discussed the account for Laura's Line LLC and requested Ms. McLaughlin confirm with Perdue whether the account is recommended to be moved to the uncollectible roll.

The Board discussed the accounts for Burgerim/Glinares Service LLC and Ambience Wellness Spa, Inc.

After review and discussion, Director Ottmann moved to direct Perdue not to file suit against Burgerim/Glinares Service LLC and Ambience Wellness Spa, Inc. Director Dahlke seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

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

Ms. Carner stated that BLI published a Notice of Public Hearing regarding the adoption of the District's 2020 tax rate stating that the Board anticipates levying a maximum total 2020 tax rate of \$1.00 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 2020 tax rate of \$1.00 per \$100 of assessed valuation, composed of a \$0.75 contract tax component, a \$0.095 debt service tax component, and a \$0.155 maintenance and operations tax component. Ms. Carner presented an Order Levying Taxes and an Amendment to Information Form reflecting the 2020 tax rate. Ms. Carner stated that the Amendment to Information Form will be filed with Harris County and the Texas Commission on Environmental Quality ("TCEQ"). 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 Ross seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS

Ms. Matuska stated that Clifton White is the new owner of F. Matuska, Inc. and requested the Board appoint Mr. White as the new Investment Officer, replacing Rose Montalbano, who has resigned from F. Matuska, Inc.

ADOPT RESOLUTION CHANGING AND APPOINTING INVESTMENT OFFICER

Ms. Carner presented and reviewed the Resolution Changing and Appointing Investment Officer, which reflected the appointment of Clifton White with F. Matuska, Inc. as the District's new Investment Officer. After review and discussion, Director Ottmann moved to adopt the Resolution Changing and Appointing Investment Officer, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Spackman seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

ACCEPT DISCLOSURE STATEMENT FOR INVESTMENT OFFICER

The Board considered accepting the disclosure statement from the District's Investment Officer. Ms. Carner explained that the disclosure statement required by the Public Funds Investment Act discloses relationships between the District's investment officer and entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District. She also explained that the statement would be filed in the District's official records and with the Texas Ethics Commission. Following review and discussion, Director Ottmann moved to accept the disclosure statement and authorize filing of the disclosure statement with the Texas Ethics Commission.

Director Spackman seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

APPROVED AMENDED EXHIBIT A TO DEPOSITORY PLEDGE AGREEMENTS WITH BBVA USA AND WELLS FARGO

The Board considered approving an Amended Exhibit A to each of the Depository Pledge Agreements with BBVA USA and Wells Fargo providing for the appointment of Clifton White as Investment Officer. Following review and discussion, Director Ottmann moved to approve Amended Exhibits A to the Depository Pledge Agreements with BBVA USA and Wells Fargo. Director Spackman seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

AUTHORIZE EXECUTION AND FILING OF DISTRICT REGISTRATION FORM

The Board considered authorizing execution of an updated District Registration Form with the TCEQ, reflecting Clifton White as the District bookkeeper. 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 Spackman seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

REPORT FROM WATER CONSERVATION COALITION

There was no discussion on this agenda item.

ADDITIONAL OPERATIONAL MATTERS

There was no discussion on this agenda item.

CONDUCT HEARING ON TERMINATION OF WATER AND SEWER SERVICE

There were no accounts submitted for termination.

ADDITIONAL ENGINEERING MATTERS

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

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Mr. Carrasco reported on development in Towne Lake. Discussion ensued.

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)



/s/ Saundra Dahlke
Secretary, Board of Directors

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