

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

March 3, 2021

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 3rd day of March, 2021, 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
James Spackman	Assistant Secretary
James Ross	Asst. Vice President/ Asst. Secretary

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

Also present at the meeting via teleconference were Doug Larson, member of the public; Mike Harrington of American Enerpower; George Gentry and John Casey, directors of Harris County Municipal Utility District No. 501 (“HC 501”); Fran Matuska of F. Matuska, Inc.; Eric Thiry and Amanda Benzman of Environmental Development Partners, LLC (“EDP”); J.T. Gaden of Edminster Hinshaw Russ and Associates, Inc.; Jessie Carrasco of Caldwell Companies; Brenda McLaughlin of Bob Leared Interests; Loren Morales and Leslie Cook of RBC Capital Markets; and Katie Carner and Jennifer Ramirez of Allen Boone Humphries Robinson LLP.

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 (posted on March 2, 2021).

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board reviewed the minutes of the February 3, 2021, regular meeting. After review and discussion, Director Dahlke moved to approve the minutes of February 3,

2021, regular meeting, as submitted. Director Spackman seconded the motion. A roll call vote of the Board was taken and the motion passed unanimously.

RECEIVE ELECTRICITY PROPOSAL

Mr. Harrington updated the Board on the status of the electricity market after the winter storm event. He reported that most electricity companies are not currently providing contract prices and recommended the Board take no action at this time. He also stated that he identified one District meter that is on a month-to-month contract with MP2 Energy instead of the District's main electricity contract with Cavallo Energy Texas LLC. Mr. Harrington stated that he will coordinate with both electricity companies to get the matter corrected. The Board discussed the current letter of authorization for American Enerpower, which the Board approved for a 30-day term.

After discussion, Director Ottmann moved to extend the letter of authorization for American Enerpower until further notice. Director Spackman seconded the motion. A roll call vote of the Board was taken and the motion passed unanimously.

AUTHORIZE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END MARCH 31, 2021

The Board considered authorizing McCall Gibson Swedlund Barfoot PLLC ("McCall") to prepare the District's audit for fiscal year end March 31, 2021. The Board reviewed an audit continuance letter from McCall, a copy of which is attached, noting that preparation of the District's annual audit will cost an estimated \$18,000-19,000 for the Master District accounts. Following discussion, Director Ottmann moved to authorize McCall to prepare the District's audit for fiscal year end March 31, 2021. Director Ross seconded the motion. A roll call vote of the Board was taken and the motion passed unanimously.

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

OPERATION OF DISTRICT FACILITIES

Mr. Thiry presented the operator's report, a copy of which is attached. He reported on routine maintenance and repair items in the Service Area.

Mr. Thiry updated the Board on the status of the District's water and sewer system after the winter storm. He stated that due to an interrupted water supply from the West Harris County Regional Water Authority ("WHCRWA"), the District received water from the emergency water interconnect with Remington Municipal Utility District No. 1 ("Remington 1") from February 16-February 23, 2021. He stated that Remington 1 issued a boil water notice, so the District, as Master District, directed the Participant districts also to issue boil water notices on February 17, 2021. He reported that the boil water notice was lifted on February 22, 2021. Mr. Thiry stated that while the District was receiving water from Remington 1, the Service Area experienced periods of lower than normal water pressure due to high demand on the water system. Discussion ensued.

Mr. Thiry reported that EDP filed an unauthorized discharge report with the Texas Commission on Environmental Quality ("TCEQ") and Harris County for an excursion caused by a sump pump return line break due to freezing weather. Discussion ensued.

Mr. Thiry updated the Board on the replacement of the pump level controller at lift station no. 2.

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

DISCUSS LAKE MANAGEMENT AND MAINTENANCE

WILDLIFE MANAGEMENT, INCLUDING REPORT AND PROPOSALS FROM A ALL ANIMAL CONTROL ("AAAC")

The Board discussed the status of wildlife management in the District, including wildlife monitoring and trapping, and reviewed a report from AAAC for February, a copy of which is attached.

EROSION, DREDGING, AND WATER QUALITY

Ms. Carner reported that the Consent to Encroachment for the installation of bull rock for fish spawning was sent to the Towne Lake Community Association, Inc. ("HOA") for execution.

Ms. Carner reported the draft Agreement for Use of Facilities with Cy-Fair Fire Department ("Cy-Fair FD") for periodic use of the regional detention facilities for public safety training was circulated to Cy-Fair FD for review.

ENGINEERING MATTERS

Mr. Gaden presented an engineer's report from EHRA, a copy of which is attached, and reviewed it with the Board.

Mr. Gaden noted the phone number residents can call to report potential Storm Water Pollution Prevention Plan ("SWPPP") violations to Harris County, the enforcement agency for SWPPPs in Harris County.

PRELIMINARY PLANNING FOR GRADE SEPARATION AT UNION PACIFIC RAILROAD AND INTERSECTION IMPROVEMENTS AT HIGHWAY 290 ("UPRR/HIGHWAY 290 PROJECT")

Mr. Gaden updated the Board on the status of the UPRR/Highway 290 Project.

REPORT ON STORMWATER FACILITIES MAINTENANCE AND REPAIRS, AND APPROVE SUBMERGED STORM SEWER AGREEMENTS AND MAINTENANCE AGREEMENTS

Mr. Gaden stated that the Storm Water Solutions, LLC, report was provided to the Board.

REVIEW BIDS AND AWARD CONTRACT FOR EMERGENCY WATER INTERCONNECT

Mr. Gaden updated the Board on the status of design of the emergency water interconnect with Harris County Municipal Utility District No. 196 ("HC 196").

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR WATER WELL NO. 1

Mr. Gaden updated the Board on the status of the design of water well no. 1. He requested the Board approve the plans and specifications and authorize advertisement for bids for the construction of water well no. 1.

After review and discussion, Director Ottmann moved to approve the plans and specifications and authorize advertisement for bids for the construction of water well no. 1, as recommended. Director Ross seconded the motion. A roll call vote of the Board was taken and the motion passed unanimously.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR WASTEWATER TREATMENT PLANT NO. 2

Mr. Gaden updated the Board on the design of wastewater treatment plant no. 2.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR THE MOUND ROAD EAST UTILITY EXTENSION PROJECT

Mr. Gaden updated the Board on the design of the Mound Road East Utility Extension project.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR WASTEWATER TREATMENT PLANT AERATION AND DIGESTER BASIN REHABILITATION PROJECT

Mr. Gaden updated the Board on the status of the wastewater treatment plant aeration and digester basin rehabilitation project. He stated that he had no pay estimates from T&G Services for the Board's approval.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR CLEARING AND GRUBBING FOR DETENTION 1L, PHASE 2

Mr. Gaden updated the Board on the status of clearing and grubbing to serve detention 1L, Phase 2. He stated that he had no pay estimates from Project Storm, LLC for the Board's approval.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR TOWNE LAKE SECTION 60 TEMPORARY ACCESS ROAD

Mr. Gaden updated the Board on the construction of the Towne Lake Section 60 temporary construction access road. He stated that he had no pay estimates from Storm Water Solutions, LLC for the Board's approval.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR DETENTION 1L, PHASE 2

Mr. Gaden updated the Board on the status of construction of detention 1L, Phase 2. He stated that he had no pay estimates from Allgood Construction Co., Inc. for the Board's approval.

APPROVE CAPACITY RESERVATIONS AND UTILITY COMMITMENT LETTERS

There was no discussion on this agenda item.

CONVEYANCE OF EASEMENTS/DEEDS; ABANDONMENT OF EASEMENT; CONSENTS TO ENCROACHMENT

Mr. Gaden stated that Harris County is requesting the Board authorize execution of a temporary construction easement in connection with the Greenhouse road expansion project. He stated that EHRA has no objections to the easement. After

review and discussion, Director Ottmann moved to authorize execution of the temporary construction easement. Director Ross seconded the motion. A roll call vote of the Board was taken and the motion passed unanimously.

The Board considered approving a Special Warranty Deed for conveyance of the lift station no. 2 site from CW SCOA West, L.P. to the District. After discussion, Director Ottmann moved to approve the Special Warranty Deed, subject to receipt of title commitment, and direct that the Deed be filed appropriately and retained in the District's official records. Director Ross seconded the motion. A roll call vote of the Board was taken and the motion passed unanimously.

UPDATE ON PARK BOND APPLICATION NO. 1 AND SURPLUS FUNDS APPLICATIONS

Ms. Carner updated the Board on the status of the park bond application no. 1 and the preparation of the surplus funds applications.

WHCRWA MATTERS

There was no discussion on this agenda item.

LANDSCAPE ARCHITECT'S REPORT

The Board reviewed the landscape architect's report from KGA/DeForest Design, LLC, a copy of which is attached.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

There was no discussion on this agenda item.

REPORTS FROM DISTRICT CONSULTANTS REGARDING DISTRICT CORRESPONDENCE AND PROVISION OF RECORDS

The Board reviewed correspondence from Liberty Mutual Holding Company Inc., a copy of which is attached. After review and discussion, Director Dahlke moved to authorize Director Quintero to submit the proxy vote on behalf of the District. Director Ottmann seconded the motion. A roll call vote of the Board was taken and the motion passed unanimously.

Director Ottmann stated that he received correspondence from HC 501 requesting that the District update the presentation on the District that Director Ottmann gave to the H. Towne Lake Community Association, Inc., which is posted on the HC 501 website. After review and discussion, Director Dahlke moved to authorize Director Ottmann to update the presentation as needed. Director Spackman seconded

the motion. A roll call vote of the Board was taken and the motion passed unanimously.

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/ Sandra Dahlke
Secretary, Board of Directors

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