

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

April 7, 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 7th day of April, 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 Jared Leigh, member of the public; Travis Singleton of the Towne Lake Community Association, Inc. ("HOA"); George Gentry and John Casey, directors of Harris County Municipal Utility District No. 501; 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.; Jessie Carrasco of Caldwell Companies; Brenda McLaughlin of Bob Leared Interests; Loren Morales and Leslie Cook of RBC Capital Markets ("RBC"); 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 April 6, 2021).

PUBLIC COMMENTS

Mr. Leigh addressed the Board regarding the erosion control measures currently approved for use around the regional detention facilities. He stated that he believes the current erosion control measures are insufficient and requested the Board authorize the installation of SOX erosion control measures at his residence. Director Quintero stated that the request would be discussed under agenda item no. 5.b.

Mr. Singleton addressed the Board regarding erosion control measures, the District's, as Internal District, contract with the Harris County Sheriff's Office for law enforcement services, and the District's proposed Agreement for Use of Facilities with Cy-Fair Fire Department ("Cy-Fair FD").

APPROVE MINUTES

The Board reviewed the minutes of the March 3, 2021, regular meeting. After review and discussion, Director Spackman moved to approve the minutes of March 3, 2021, regular meeting, as submitted. 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. The Board discussed check no. 4521 and requested the check be voided as it appears the invoice was incorrectly sent to the District.

Ms. Matuska noted the addition of check no. 4525 in the amount of \$839.63, payable to the Texas Commission on Environmental Quality ("TCEQ").

After discussion, Director Ottmann moved to approve the bookkeeper's report and the payments presented, with the exception of check no. 4521 and the addition of check no. 4525. Director Dahlke seconded the motion. A roll call vote of the Board was taken and the motion passed unanimously.

OPERATION OF DISTRICT FACILITIES

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

Mr. Ammel reported that the tanks at the wastewater treatment plant were cleaned and dewatered for a total estimated cost of \$41,500.00. He stated the cleaning and dewatering was necessary to facilitate the wastewater treatment plant aeration and digester basin rehabilitation project.

Mr. Ammel reported that EDP filed an insurance claim on behalf of the District for repairs related to the February 2021 Freeze Event.

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

Mr. Ammel reviewed the District's water usage during the February 2021 Freeze Event.

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 March, a copy of which is attached.

EROSION, DREDGING, AND WATER QUALITY

Ms. Carner discussed the District's procedures for approving Consents to Encroachments for residents wishing to install improvements in the District's drainage easement, including erosion control measures. She stated that currently, the HOA rules do not permit the use of SOX erosion control by residents. Mr. Gaden then reported on a meeting held with the Erosion Control Committee to discuss erosion control matters in the regional detention facilities, including proposed next steps for addressing and remediating existing erosion. Mr. Gaden also updated the Board on the HOA's ongoing SOX erosion control pilot program, previously authorized by the Board.

The Board discussed Mr. Leigh's request for authorization to use SOX erosion control at his property.

After review and discussion, Director Ross moved to authorize execution of a Consent to Encroachment for the installation of SOX erosion control at Mr. Leigh's property, subject to the President's and Vice President's approval and the HOA's approval. Director Dahlke seconded the motion. A roll call vote of the Board was taken and the motion passed unanimously.

REQUEST FROM HOA FOR AMENDMENT TO ASSOCIATION LAKE RULES

Ms. Carner stated that the HOA is requesting District approval for the Fifth Amendment to the Second Amended and Restated Rules and Regulations Relating to the Use of the Recreational Lake in Towne Lake and Boat Requirements (the "Fifth Amendment"), related to boater insurance policies, pursuant to the terms of the First Amendment to Amended and Restated Maintenance Agreement. After review and discussion, Director Ottmann moved to approve the Fifth Amendment, as discussed. Director Spackman seconded the

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

AGREEMENT FOR USE OF FACILITIES WITH CY-FAIR FD

Ms. Carner reported that Cy-Fair FD has requested expanded training hours and days for the periodic use of the regional detention facilities for public safety training.

The Board deferred further discussion on this agenda item until Executive Session.

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.

Mr. Gaden reported that the TPDES permit for the Horsepen Creek wastewater treatment plant will expire on May 1, 2022 and requested the Board authorize EHRA to renew the TPDES permit. After review and discussion, Director Ottmann moved to authorize EHRA to renew the TPDES permit for the Horsepen Creek wastewater treatment plant. Director Dahlke seconded the motion. A roll call vote of the Board was taken and the motion passed unanimously.

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

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

Director Ottmann requested that RBC update the financial analysis regarding the UPRR/Highway 290 Project due to the change in the development plan for Harris County Municipal Utility District No. 503 and the approval of federal funding for the 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").

REVIEW BIDS AND AWARD CONTRACT FOR WATER WELL NO. 1

Mr. Gaden updated the Board on the status of the design of water well no. 1

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.

AUTHORIZE PREPARATION OF BOND APPLICATION

Mr. Gaden requested the Board authorize preparation of a taxable water, sewer, and drainage bond application and reviewed a preliminary summary of costs, a copy of which is attached to the engineer's report. After review and discussion, Director Ottmann moved to authorize preparation of the taxable water, sewer, and drainage bond application. Director Spackman seconded the motion. A roll call vote of the Board was taken and the motion passed unanimously.

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

There was no discussion on this agenda item.

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.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

There was no discussion on this agenda item.

ADOPT RESOLUTION SUPPORTING HOUSE BILL NO. 1410 ("HB 1410") AND SENATE BILL NO. 1959 ("SB 1959")

Ms. Carner discussed HB 1410 and SB 1959, which would increase the amount of

bonds that certain municipal utility districts can issue for park and recreational facilities. The Board then considered adopting a Resolution Supporting HB 1410 and SB 1959. After review and discussion, Director Ottmann moved to adopt the Resolution Supporting HB 1410 and SB 1959 and direct that the Resolution be filed appropriately and retained in the District's official records. Director Quintero seconded the motion. A roll call vote of the Board was taken and the motion passed unanimously.

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

There was no discussion on this agenda item.

Director Ross left the meeting.

CONVENE IN EXECUTIVE SESSION TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER, PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

The Board convened in Executive Session at 2:02 p.m. pursuant to Section 551.071 of the Texas Government Code to conduct a private consultation with their attorney to discuss pending or contemplated litigation or a settlement offer. Ms. Carner also was present.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

The Board reconvened in Open Session at 2:32 p.m.

AGREEMENT FOR USE OF FACILITIES WITH CY-FAIR FD (CONT'D)

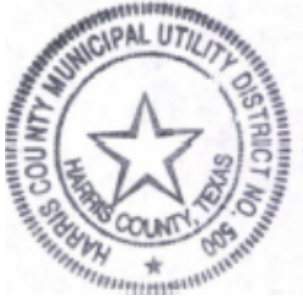
Following discussion, the Board declined to amend the Agreement to include the expanded training hours and days requested the Cy-Fair FD.

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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